



Daily Report

Latin America

FBIS-LAT-93-120
Thursday
24 June 1993

Daily Report

Latin America

FBIS-LAT-93-120

CONTENTS

24 June 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Dissident Elizardo Sanchez Allowed To Travel Abroad [NOTIMEX]	1
Diplomat Notes U.S. Human Rights Intransigence [Havana Radio]	1
Raul Castro Heads Commemoration Organizing Committee [Havana Radio]	1
Broader Coverage of Sentences for Violent Crime Urged [Havana Radio]	1
Castro Attends Second Retinitis Pigmentosa Conference [Havana Radio]	2

Inter-Caribbean Affairs

OECS' Executive Director Says Floating Dollars Hurting Exports [CANA]	2
---	---

Haiti

Delegation of Deputies Appointed to Accompany Cedras [Madrid EFE]	2
Aristide Sets Conditions for Meeting With Cedras [AFP]	3
Deputies on Aristide-Cedras Meeting, Army Resignations [Port-au-Prince Radio]	3
Dominican Troops Reportedly Massed on Border [Port-au-Prince Radio]	4
Ministry Opposes 'Inappropriate' Strike; Urges Calm [Port-au-Prince Radio]	4
Severe Effects of Embargo Predicted [Port-au-Prince Radio]	4
Ministry Announces Petroleum Products Rationing Measures [Port-au-Prince Radio]	4
Foreign Minister Says No Links Between Aid, Rights Violations [CANA]	5

St. Lucia

Power Company To Offer Public Shares [CANA]	5
---	---

MEXICO

Federal District Draft Reform Bill Presented [Mexico City TV]	6
---	---

CENTRAL AMERICA

El Salvador

President Cristiani Gives News Conference [San Salvador Radio]	7
Villalobos Closes PRS-ERP Congress; Members Elected [DIARIO LATINO 21 Jun]	8
Former Commander Denies FMLN Mined Honduran Territory [DIARIO LATINO 21 Jun]	9

Guatemala

Germany Announces Resumption of Economic Aid [SIGLO VEINTIUNO 23 Jun]	9
Commission Asks President To Conduct Army Purge [PRENSA LIBRE 21 Jun]	9
Group Urges Legislators To Return To Congress [EL GRAFICO 22 Jun]	10
Government Appoints Health, Education Ministers [Guatemala City TV]	10
Archbishopric Issues Statement on New Government [SIGLO VEINTIUNO 20 Jun]	10
Trial Requested for Belize Case Participants [PRENSA LIBRE 22 Jun]	11
Correction to De Leon Speech on Government Actions	11

Nicaragua

Lacayo on Debt Pardons, Possible Amnesty for Rebels	[BARRICADA 20 Jun]	11
INRA Director Says Rearmed Groups Threaten Project	[Managua Radio]	12
Taiwan Ambassador Comments on Investment Plans	[LA PRENSA 22 Jun]	12
Political Leaders Discuss Godoy, Somozists Alliance	[Managua TV]	13

Panama

Endara Visit to Guatemala Reaffirms Interest in Peace	[LA PRENSA 23 Jun]	13
Serrano Leaves Hotel, Moves To Private Residence	[LA PRENSA 23 Jun]	13
Ford Confirms U.S. Dollar To Circulate After 2000	[Panama City TV]	14
Editorial on Trade Dispute With Costa Rica	[EL PANAMA AMERICA 21 Jun]	14

SOUTH AMERICA

Argentina

Deputy Foreign Minister Views Condor-2 Deactivation	[TELAM]	15
Economy Minister Cited on GATT, Trade Issues	[LE MONDE 22 Jun]	15
Navy Captures Polish Fishing Ship	[TELAM]	16
Government Supports 'Freedom of Expression'	[TELAM]	16

Bolivia

Condepa May Not Join Government Coalition	[La Paz TV]	16
---	-------------	----

Brazil

Government Says U.S. Tax on Steel 'Unacceptable'	[Brasilia Radio]	17
Surcharge Received With 'Indignation'	[O ESTADO DE SAO PAULO 23 Jun]	17
Industry May Lose \$115 Million	[O GLOBO 23 Jun]	17
Franco Says Difficulties With Paris Club 'Clarified'	[Brasilia Radio]	18
Cardoso Sees No U.S. Objection	[Brasilia Radio]	18
Deputies Approve Financial Operations Tax Bill	[Brasilia Radio]	18
PMDB To Nominate Recife Mayor for President in 1994	[Brasilia Radio]	18
Culture Minister Hospitalized in Rio de Janeiro	[Rio de Janeiro TV]	18

Chile

Defense Minister on Chemical Weapons, Berrios Case	[Santiago Radio]	19
Foreign Ministry Official on Berrios Case, Pinochet	[Santiago Radio]	19
Army Prosecutor General Views Human Rights Violations Cases	[Santiago Radio]	19
Economy Minister Views Commercial Ties With Russia	[EL MERCURIO 5 Jun]	20
Tunisian Envoy Discusses Purchase of Military Equipment	[EL MERCURIO 10 Jun]	20

Colombia

Border Negotiations With Venezuela Suspended Until Feb	[Santa Fe de Bogota TV]	20
Liberal Presidential Hopeful on Cali Cartel, Escobar	[Santa Fe de Bogota TV]	21
Social Security Reforms Extend Coverage, Benefits	[Santa Fe de Bogota TV]	21
Medellin Cartel 'Key Man' Arrested in Germany	[Santa Fe de Bogota TV]	22
Army Conducts Search for Army of National Liberation Leader	[Santa Fe de Bogota TV]	22

Paraguay

Committee Probing Corruption Recommends Judicial Reform	[ABC COLOR 22 Jun]	22
---	--------------------	----

Peru

Local MRTA Leader Surrenders to Authorities	[Lima TV]	23
---	-----------	----

Government Seeks Approval for Agreement With U.S. Company [Lima TV]	23
Economy Minister Came to International Economic Aid [Lima Radio]	23

Venezuela

Foreign, Defense Ministers on Border Patrol Proposal [Caracas TV]	24
President Swears in New Defense Minister [Caracas TV]	24
New National Guard Commander Installed [Caracas TV]	25

Cuba

Dissident Elizardo Sanchez Allowed To Travel Abroad

PA2306220593 Mexico City NOTIMEX in Spanish
2053 GMT 23 Jun 93

[Text] Havana, 23 Jun (NOTIMEX)—Elizardo Sanchez Santa Cruz, a Cuban dissident and president of the Cuban Commission for Human Rights and National Reconciliation (CDHRN), on 23 June departed on a tour that will take him to the Dominican Republic, Spain, Sweden, and the United States. Sanchez is regarded as one of Cuba's main dissidents against the Fidel Castro government. He has received permission to travel abroad after Cuban authorities denied him such authorization for five years.

Sanchez, who is also a philosophy professor at the University of Havana, is the second member of the opposition to receive authorization to leave the country after receiving invitations from human rights organizations abroad. Rolando Prats, leader of the opposition Democratic Socialist Current of Cuba, was the first allowed to leave. He has visited many opposition and human rights organizations in the United States, Spain, France, and Belgium.

Elizardo Sanchez will arrive in Santo Domingo on 23 June to meet with Jose Pena Gomez, president of the Dominican Revolutionary Party, and with opposition leader Juan Bosch. Sanchez will then travel to Spain at the invitation of that country's human rights organization. He will then visit Sweden and the United States. The Cuban dissident does not dismiss the possibility of meeting with Dominican President Joaquin Balaguer and Spain's Felipe Gonzalez. He will also meet with Spanish leftist leaders and officials from the Clinton administration, according to reports given to NOTIMEX by Rene Pozo, spokesperson for the CDHRN.

Sanchez, who was also a member of the Democratic Socialist Current, heads the moderate wing of the opposition, which has proposed a national dialogue of reconciliation, including President Fidel Castro, to solve the country's serious political and economic crisis. Sanchez is also opposed to the U.S. economic blockade maintained for more than 30 years.

Diplomat Notes U.S. Human Rights Intransigence

FL2306220493 Havana Radio Reloj Network in Spanish 1947 GMT 23 Jun 93

[Text] Cuba is working to make the Vienna World Conference on Human Rights a success, affirmed the Foreign Ministry, which held the United States responsible for the minimal amount of progress made at this United Nations-sponsored meeting. Enrique Moret Echeverria, the Foreign Ministry's interim director for multilateral affairs, told

PRENSA LATINA that the Cuban delegation has maintained a constructive position during the meeting that began 14 June and ends 25 June.

(Moret Echeverria) explained that Cuba's position is in contrast to the American position, with initiatives aimed at questioning the pillars (on which) international reactions are based [words indistinct] principles and aims of the UN charter. He stressed: The intransigency of the United States is in contrast to the constructive attitude maintained by the Cuban delegation, which does not refuse to discuss any mechanism whatsoever.

The Cuban diplomat explained that international organizations opposing the principles and objectives of the United Nations should not be formed. The imposition of such mechanisms leads (?inevitably) to confrontation. This is diametrically opposed to what we have advocated, and casts doubt on the United States' interest in the success of the World Conference on Human Rights, said (Moret Echeverria).

(Moret) explained that our country has worked to seek formulas for compromise and consensus that are representative of what is wanted by the various nations and by the ensemble of countries comprising the international community.

He explained that supranational bodies with the purpose of interfering or intervening should not be created, bodies that go against the United Nations' principles and aims, which respect nations' rights to self-determination.

Raul Castro Heads Commemoration Organizing Committee

FL2306124593 Havana Radio Rebelde Network in Spanish 1155 GMT 23 Jun 93

[Text] The organizing committee for the commemoration of the centenary of the War of Independence and the deaths in the battle of Jose Marti and Antonio Maceo has been created. The committee is chaired by Army General Raul Castro and will be officially presented tomorrow at the Great Hall of Havana University.

Broader Coverage of Sentences for Violent Crime Urged

FL2306190793 Havana Radio Rebelde Network in Spanish 1700 GMT 23 Jun 93

[Station commentary by Orlando Contreras]

[Text] There is no question the economic tensions we are experiencing, for reasons too well known to be repeated in this brief space, are having specific behavioral repercussions in certain sectors of society. Crimes such as rustling or theft of cattle for illegal slaughter, embezzlement, intentional lack of controls that allow the depletion of resources, and other economic crimes seem to be on the increase. In the present circumstances of unprecedented shortages and colossal efforts to confront difficulties and emerge from this period through collective

creative work, such crimes, which allow a few, very few, to grow rich in the midst of such hardship, are even more intolerable.

Against such antisocial and depredatory acts, committed by a very small minority that is beyond the law and socially insensitive to profit from the shortages and hardships of the special period, there is no answer other than forcefully to apply the law that prohibits and condemns these crimes.

In the past few days, the media have reported a number of cases which the courts, with due process, have sanctioned in accordance with the law after the crimes were proven. There is in our society another type of crime, much more reported although less frequent, which deeply hurts social sensibilities. I am talking about theft with violence in homes or in the streets, such as the theft of bicycles. The law condemns this type of crime which on occasion is conducted with a series of aggravating aspects—dark of night, premeditation, violence, and, in a small number of cases, with viciousness.

The full weight of the law falls on those individuals who, in stealing the goods of others, do not hesitate to use violence that can at times result in injury or death. The media should also report the exemplary punishments given to these criminals by the courts.

Castro Attends Second Retinitis Pigmentosa Conference

FL2406124793 Havana Radio Progreso Network in Spanish 1100 GMT 24 Jun 93

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, inquired about the number of cases and services provided to retinitis pigmentosa patients, during a meeting on 23 June with Cuban and foreign specialists and patients participating in the second national retinitis pigmentosa colloquy being held at the Pedro Curie Tropical Medicine Institute in Havana. Fidel also discussed the national workshop on retinitis pigmentosa scheduled for December and the fight against optic neuritis.

Inter-Caribbean Affairs

OECS' Executive Director Says Floating Dollars Hurting Exports

FL2306172293 Bridgetown CANA in English 1618 GMT 23 Jun 93

[Text] Roseau, Dominica, June 23, CANA—The floating of the dollar in Jamaica and Trinidad and Tobago is hurting the export thrust of the Organisation of Eastern Caribbean States, according to the Eastern Caribbean States Export Development Agency's executive director, Justin Vincent.

"For some reason these currency floats always start being floated upwards, which results in a devaluation, which

makes our products less competitive compared to theirs, at least initially," he told the CARIBBEAN NEWS AGENCY.

"It also, because it is floating, leads to anxieties about planning, because you are not sure what the value of the currency is going to be tomorrow, next week, next month or next year," the head of the Dominica-based agency observed.

"It confirms the strategy which we have adopted of concentrating our export efforts on the hard currency markets around us in Martinique, Guadeloupe, Puerto Rico, the U.S. Virgin Islands, and so on.

"We have been pointing our manufacturers in that direction, and we will continue to do that, until we see signs to the contrary. Maybe if we had one regional currency, we wouldn't have that problem".

Jamaica and Trinidad and Tobago floated their currency, while liberalising their foreign exchange systems in a bid to give their troubled economies some momentum.

Haiti

Delegation of Deputies Appointed to Accompany Cedras

PA2406013093 Madrid EFE in Spanish 0026 GMT 24 Jun 93

[By Harold Jean-Francois]

[Excerpts] Port-au-Prince, 23 Jun (EFE)—The Haitian Armed Forces High Command has not officially reacted to the announced meeting between constitutional President Jean-Bertrand Aristide and General Raoul Cedras, who led the 30 September 1991 coup d'etat.

Although Dante Caputo, UN and OAS mediator in the Haitian crisis, had announced the meeting between Aristide and Cedras for the 25 June weekend, so far the military has not released any information on the military delegation to meet with Aristide.

The military high command has not mentioned the date when Gen. Cedras and his assistants will leave Port-au-Prince.

A delegation of deputies, however, has been appointed to accompany Cedras. They are: Antoine Joseph, president of the group of deputies of the Alliance for Parliamentary Cohesion (which supported the coup), Deus Jean-Francois, Ferard Evans Beaubrun, and Joseph Lambert of the same parliamentary group. [passage omitted covered by previously filed material]

Vendors in the Salomon marketplace in a heavily populated district in the southeastern part of the Haitian capital staged a demonstration on 23 June calling for President Aristide's return.

"Aristide or death," the group shouted, carrying photographs of the constitutional president who was unseated by the Haitian military.

A similar demonstration was held later following a mass in San Jose Church in northern downtown Port-au-Prince.

The demonstrators, who went into the street shouting "Aristide or death! Down with the Army! Liberty or Death!" were dispersed when policemen fired shots in the air. [passage omitted covered by previously filed material]

Aristide Sets Conditions for Meeting With Cedras

PA2306233293 Paris AFP in Spanish 2301 GMT
23 Jun 93

[Text] Washington, 23 Jun (AFP)—Haitian President Jean-Bertrand Aristide is willing to meet with General Raoul Cedras, the military chief who toppled him, if Cedras approves of the president's return to power in Port-au-Prince "without delay," states a communique issued by his government-in-exile in Washington on 23 June.

Aristide is also demanding the resignation of the police chief and the Haitian military high command and an annulment of the "fraudulent" senatorial elections held in January, the communique adds.

The communique also demands that Aristide be allowed to appoint a new prime minister, a post that has been vacant since de facto Prime Minister Marc Bazin resigned two weeks ago.

The communique confirms reports that Aristide was hesitant to meet with Cedras, who on 21 June voiced his willingness to meet with the toppled president in a letter to Dante Caputo, former Argentine foreign minister and UN and OAS mediator on the Haitian crisis.

Deputies on Aristide-Cedras Meeting, Army Resignations

FL2406010493 Port-au-Prince Signal FM Radio in French 1030 GMT 23 Jun 93

[Report on interviews with Deputies Joseph Lambert and Patrick Norzeus in Port-au-Prince; date not given—italicized passages in Creole]

[Text] A possible Aristide-Cedras meeting is not worthless at this phase of the crisis. According to Deputy Patrick Norzeus, the most important thing at the moment is the resignation of the Army high command. Only the general staff's departure can prevent the implementation of UN resolution 841, according to Deputy Norzeus who asks the 29 military [personnel] of the Army high command to perform a patriotic deed to get the country out of its deadlock. He is answering Daly Valet's questions.

[Lambert, not Norzeus, as explained later in text] *It is going pretty well in a certain sense. Following the series of letters that the Haitian parliament sent to Caputo, Soares, Butrus Butrus- Ghali, and President Jean-Bertrand Aristide, information has begun coming in. Caputo says he is ready to set that meeting up for the weekend. As we know, following the letter the chamber president wrote to General Cedras, asking for a positive answer—to try to see to what extent Cedras could give a positive answer to this invitation—the commander in chief has indeed responded positively. In my opinion, it is positive. This will allow us to have—for the first time in almost 21 months—President Aristide and General Cedras face-to-face. I think it is very important. It is even an historic meeting.*

[Valet] *So, Gen. Cedras will attend?*

[Lambert] *Assuredly. For my part, I keenly hope he goes because I hardly see how we can move forward as long as Gen. Cedras does not sit down with President Aristide to settle the dispute between them so a solution can be found once and for all to this crisis.*

[Valet] *But will the general be part of the same delegation as the one of which you will participate [corrects himself] the Parliament will participate?*

[Lambert] *It will be a civilian-military delegation. It will include both military and civilians. It is certain that we will be part of the same delegation because it will be—how can I tell you? [stammers]—a pretty upgraded delegation that will include not only parliamentarians, but [also] most likely other civilians, Gen. Cedras, and some members of the general staff.*

That was Deputy Joseph Lambert, not Deputy Norzeus. Lambert is a member of the civilian and military delegation that will meet with President Aristide. He thinks Gen. Cedras will be part of this delegation and the preparations for the departure of this delegation set for this weekend are going pretty well. We are now going to listen to Deputy Patrick Norzeus who wishes the departure of the high general staff to prevent the implementation of the resolution 841 of the United Nations, effective since 0000 this morning.

[Norzeus] *Actually, many people speak of a possible Cedras-Aristide meeting. There are those who say the meeting might even take place over the forthcoming weekend. I personally do not believe it is today's urgency. What—let us say—the members of the Haitian Army general staff should be asked to do is perform—at least once in 20 months, at least once—a patriotic act. This patriotic act consists of doing what the international community asks for, what the country's legitimate and constitutional authorities ask for, I mean President Aristide and...*

[Valet, interrupting] *What do they ask for exactly?*

[Norzeus] *Well, we know that... [stammers] President Aristide has clearly said it: there must be resignations, that is dismissals, of the Haitian Army high command.*

President Aristide has asked for it. I think (all) the rest of the country has asked for it; that is, all those who want change and democracy in this country have asked for it. So, I think that 29 men, 29 men... [stammers] cannot... [changes thought] This means that sometime in someone's life, one must be able to step back to look around oneself, to look at those living near oneself, and to do exactly what the necessity of the time requires. For my part, I think that 29 Army members should think and realize they are the obstacles to the disentanglement of the country. I think those general staff members should perform a deed, that is they should resign, they should withdraw from the head of the Army. I think that then, the situation would be disentangled and there would be a chance for the country to be spared the threat hanging over it.

Dominican Troops Reportedly Massed on Border

FL2306160193 Port-au-Prince Radio Metropole in French 1045 GMT 23 Jun 93

[Text] The Dominican Republic will not be the country of welcome for negotiations [between Haiti's General Cedras and President Aristide].

The Dominican Republic instead has chosen to mass troops on its Haitian border to prevent crossing by Haitians. The decision taken by Dominican authorities took effect on 22 June.

Ministry Opposes 'Inappropriate' Strike; Urges Calm

FL2306214993 Port-au-Prince Radio Metropole in French 1600 GMT 23 Jun 93

[Text] The Ministry of the Interior and National Defense asserts in a press release that it was stunned to learn of the call by workers organizations for a general strike on 24 June just when all concerned parties are busy seeking a solution to the crisis, which would end the suffering of the good people of Haiti.

The press release continues: At this juncture, this Ministry reminds the tireless, unquestioning supporters of that means of pressure that it would be better for them to treat the problem with seriousness, without frivolity, and to avoid inappropriate action at a time of great struggle for the most deprived segments of the Haitian nation.

This Ministry urges calm, patience, balance, and serenity; and asks the population to carry out its daily activities in a normal fashion. The forces of order, indicates the communique, are instructed to take all measures, as usual, to guarantee everyone's security and protection of personal property.

Severe Effects of Embargo Predicted

FL2306235893 Port-au-Prince Radio Metropole in French 1045 GMT 23 Jun 93

[Text] According to experts, the effects of a severe embargo against Haiti would be felt after several weeks.

The fuel supply would be used up within two or three months, according to some authorities. The secret military stock would help the Army survive for several months. The industrial sector's supply would last between one and four months.

On the humanitarian issue, a lack of oil would be fatal. In fact, the transport of international aid would be compromised, particularly food supplies for the 700,000 meals served daily throughout the country, for the most needy in the schools and community clinics. The humanitarian organization CARE alone provides 300,000 meals, meals that could no longer be transported for lack of transportation. A person in charge of humanitarian aid asserts that discontinuing food distribution to the needy would be murderous.

It should be noted that the embargo, ordered by the OAS, bearable to the privileged economic minorities, could be responsible for the deaths of several thousand women, children, and sick people, according to independent religious sources.

On a human-rights level, an official from the UN/OAS international civilian mission, now numbering 180 people in charge of observing human rights throughout the country, admitted to the France Press Agency [AFP] that the mission could be forced to leave the country through sheer immobility. A reduction in the diplomatic staffs of the principal missions is also planned in case negotiations fail. These employees could be the object of reprisals, as was the case after the 1991 OAS embargo began in 1991. No one desires such a dramatic consequence of these sanctions, ordered to make the position of the Haitian authorities more flexible. Everyone is aware, points out a diplomat, that application of the sanctions would be tragic for the country and difficult to justify for the international community.

A priest who wishes to remain anonymous, as is increasingly demanded by those questioned on the country's crisis in order to avoid reprisal, told AFP that to achieve democracy through the death of children is a tragic option, in contradiction with the humanist concept. For this priest, the outcome of those sanctions, which should be avoided at all costs through a negotiated solution, would cause a very serious national and international trauma for the country.

Ministry Announces Petroleum Products Rationing Measures

FL2306160693 Port-au-Prince Signal FM Radio in French 1030 GMT 23 Jun 93

[Text] Gas stations will be closed on Sundays and holidays. The Ministry of Commerce and Industry intends to ensure a rational distribution of petroleum products and to facilitate a normal flow of activities during this crisis. Beginning immediately, gas stations will operate from 0700 to 1700. A communique issued jointly by the ministry, the Association of Petroleum Products Distributors, and petroleum companies says it

must be clearly understood that the distribution or sale of petroleum products of all types at night is forbidden throughout the national territory.

According to the communique, gas stations of the various oil companies must scrupulously observe the provisions of this communique and begin operations at the same hour at all sales sites.

The Ministry of Commerce and Industry is relying on the cooperation of all concerned parties for the rigorous application of these provisions. The communique bears the seal of the Ministry of Commerce and Industry.

Foreign Minister Says No Links Between Aid, Rights Violations

FL2306143493 Bridgetown CANA in English 1401 GMT 23 Jun 93

[By Ulric Hetsberger]

[tEXT] Vienna, Austria, June 23, CANA—Jamaica has appealed for "the conscience" of industrialised countries to be aroused to the need to provide greater economic and technological support to developing countries.

This was necessary, it said, to "guarantee the achievement of development, democracy, stability and peace."

Addressing the World Human Rights Conference, now into its eighth day, Minister of State for Foreign Affairs Benjamin Clare, however, cautioned that such development assistance must not be used to selectively pressure or punish a country for alleged human rights violations.

"I speak to this because of our concern as developing countries that there is a new trend for such assistance to be tied to democracy and to national human rights records," he said.

"Development cooperation would not have served its full purpose if political considerations precluded it from benefiting those in the greatest need," he told delegates.

The strong U.S. Government presence here is consistently pushing the line that there must be a freeze on aid to any country whose government is in serious breach of human rights.

Former U.S. leader Jimmy Carter has suggested a compromise position, asking the conference to allow specific non-governmental organisations to be the focal point for the disbursement of aid in countries where human rights regulations are not being adhered to.

Minister Clare conceded that human rights violations are widespread.

"Despite new and far-reaching measures for implementation established by the UN, despite the entrenchment of human rights provisions in national constitutions,

scant regard for human rights and democratic freedoms still obtained in many countries," he remarked.

"Jamaica is therefore of the view that this world conference presents to the international community an opportunity to renew its commitment to those standards and aspirations which are germane to the full realisation of human[sentence and quotation marks as received]

He drew attention to Jamaica's many advances in the field of human rights, among them recent measures to strengthen the electoral system, labour and employment acts to protect the rights of workers, welfare programmes to buffer the impact of economic austerity measures, and establishment of the office of ombudsman to investigate injustices and complaints against public entities.

St. Lucia

Power Company To Offer Public Shares

FL2306154793 Bridgetown CANA in English 1509 GMT 23 Jun 93

[By Hallam Hope]

[Text] Bridgetown, Barbados, June 23, CANA—Investors in the St. Lucia Electricity Company (Lucelec), majority-owned by the Commonwealth Development Corporation, are planning to launch its first public share offer in October following upgrading of the main power station and a doubling of company shares, a CDC spokesperson said here Wednesday.

CDC, government and the Castries City Council have doubled their shareholding by a total of EC10.7 million dollars (one East Caribbean dollar - US37 cents) and a unit will be added to the Cul de Sac power station south of Castries, boosting its capacity by 7.5 megawatts.

Bill Farmer, CDC's representative for the eastern Caribbean, told CANA electricity demand has been growing significantly, at an average 12 per cent over the last five years.

"St. Lucia is on a quite steep demand curve for the future," he added, citing an upgraded tourism plant and peak evening domestic usage among reasons for the upswing. "People have got used to good electricity and this is good for business."

Farmer said the increased shareholding and plant upgrading were intended to strengthen the company ahead of the proposed public share offer.

CDC, the long-standing British financier of development projects in the Caribbean, holds 53 per cent of Lucelec's shares, with the Castries City Council owning 28 per cent and the government 19 per cent.

Farmer said CDC's stake in the company was expected to be diluted by the offer of public shares.

Federal District Draft Reform Bill Presented

*PA2306200393 Mexico City XHTV Television Network
in Spanish 0200 GMT 23 Jun 93*

[Report by Dalila Antonio; passages within quotation marks are recorded]

[Text] Mexico City Mayor Manuel Camacho Solis has presented a draft bill containing reforms and additions to the Mexican Constitution, including amendments of 10 articles and a new article giving political rights to Mexico City residents in Mexico City.

Participants in a dialogue for political reforms in the Federal District headed by Mayor Camacho Solis presented a draft bill on reforms and additions to the Mexican Constitution. The agreements were reached during 10 months of consultations between the government and six political parties: the Institutional Revolutionary Party, PRI; National Action Party, PAN; Party of the Democratic Revolution, PRD; Authentic Party of the Mexican Revolution, PARM; Cardenist Front for National Reconstruction, PFCRN; and Popular Socialist Party, PPS. There were no PPS representatives at the ceremony.

Ten constitutional articles were amended—31, 44, 73, 74, 76, 79, 89, 105, 107, and 122—and Article 119 was added giving Mexico City residents political rights.

[Camacho] "The city will have a mayor who will be responsible for the government and the administration of the Federal District. Beginning in 1997, the mayor of Mexico City must be a member of the Assembly of Representatives and his party must have won the elections. The president will appoint the mayor through a clear process that strengthens representation and creates harmony between the city government and the federal government."

The draft bill for political reforms in Mexico City will expand the authority of the Assembly of Representatives to local legislative functions in 1994.

[Camacho] "The Assembly of Representatives will promulgate laws concerning the city budget, creation of jobs, agricultural issues, electoral laws, ecological balance, and the protection of vital resources, such as water."

Once the amendments are approved, the Assembly of Representatives will confirm the appointment of the Mexico City mayor. Here is Ignacio Marvan, technical secretary of the dialogue for reforms:

[Marvan] "The appointment will be submitted to the Assembly, which will have five days to confirm it. If the appointment is not confirmed, the president will present to the Assembly a new appointment, for its confirmation in the next five days. If the second appointment is not confirmed, the Senate will directly appoint the Mexico City mayor."

The Mexico City mayor and the members of the Assembly of Representatives will occupy those positions for a period of three years starting in 1997, and for six years after 2000.

The draft bill states that starting in 1995 citizens' councils [consejos ciudadanos] that have real representation will be created.

[Camacho] "The amendments reinforce participative democracy and the voice of citizens will be heard, as they will be able to elect the members of citizens' councils in each neighborhood by direct and secret vote. Citizens' representatives will participate in the implementation of budgets and decisions, such as supervising agricultural issues and evaluating programs."

After representatives from the five parties attending the ceremony stated their positions on the bill, Camacho Solis said:

[Camacho] "We presented these draft amendments because there was agreement among all political forces and because the president of the Republic had the initiative of opening the possibility of making a change of this importance."

He added:

[Camacho] "The amendments indicate that Mexico City will continue to be the capital of the Republic and that guarantees will be established to advance in achieving better balance between the central government and the states."

Camacho Solis admitted the agreements did not include everything.

[Camacho] "Of course, we cannot talk about unanimity. What is clear, however, is that despite initial polarizing positions, our proposals reflect a high level of consensus. We reached agreements on almost all topics."

The Executive Branch will send the bill on political reforms for the federal district to the Chamber of Deputies this week for its debate and approval.

El Salvador

President Cristiani Gives News Conference

PA2406034293 San Salvador Radio Cadena YSKL in Spanish 1655 GMT 23 Jun 93

[News conference by President Alfredo Cristiani with unidentified moderator and local reporters in the Press Room of the Presidential Palace in San Salvador; broadcast in progress—live]

[Text] [Cristiani] ... in Guatemala [words indistinct].

[Moderator] Juan Rafael Saavedra of [words indistinct].

[Saavedra] Mr. President, two lawyers involved in child trafficking have been arrested. Do you think there is an organized network in our country engaged in that activity?

[Cristiani] I can neither confirm nor deny it. Obviously there have been abuses in the past involving child trafficking. It is not only happening in El Salvador. There are many cases of child trafficking in underdeveloped countries like ours. In this specific case it seems to be individuals acting on their own rather than an organized mafia. The concerned parties have been called to trial to determine their guilt or innocence.

[Moderator] Guillermo Penate, EL DIARIO DE HOY.

[Penate] The foreign minister reported [words indistinct] plans for the elimination of visas issued to U.S. citizens [words indistinct] our country and the elimination of those two documents [passage indistinct] adopt the decision?

[Cristiani] In fact, it is a unilateral rather than a bilateral measure, although we understand that the United States has become more flexible in granting visas. There is even talk about 10-year visas [words indistinct] to minimize problems entering the United States. We are interested in modifying the system to facilitate exchange at an economic level, meaning a trade exchange if possible. We particularly want people interested in making investments or increasing trade to visit us without any problems. Salvadoran Government facilities for granting visas in countries like the United States are another part of the issue. We have a limited number of consulates, and many people would have to get [pauses]...they would have to travel farther every time they want to visit El Salvador because they would first have to go to a consulate for a visa. The facilities issue prompted us to make a decision: We will use a tourism card that can be issued by airlines and travel agencies for a specific amount, perhaps the equivalent of a visa, so people have no problems. Our main interest is to encourage investment in the country.

[Moderator] Torcuato Lucca of [words indistinct].

[Lucca] Good morning, Mr. President. The question is simple: Following the explosion of two car bombs in Madrid, one of which killed Lieutenant Colonel Miguel

Davila, who was posted here for some time, and the discovery of weapons caches in Nicaragua, the possibility of ties between the Basque Fatherland and Liberty Organization [ETA] and the Farabundo Marti National Liberation Front [FMLN] has resurfaced. What is your opinion on that?

[Cristiani] I have always believed that all terrorist organizations have some sort of connection and that they cooperate with each other in certain activities. We have found documents establishing ties between the FMLN and the PLO, the ETA, and other groups that conduct similar activities. Those groups help each other by obtaining and transporting weapons. Sometimes they help each other by sending mercenaries to join in military struggles in other countries. In fact, mercenaries of various nationalities were in El Salvador during the conflict in the country. Regarding the FMLN's possible influence on plans for what may occur in Spain, I do not think that is possible. I think each group operates independently in each country, but the FMLN may have had plans to finance part of its campaign by selling weapons to the ETA, that is, if ETA members are in any way linked to the discovery of those weapons. Perhaps the ETA acquired the weapons for the FMLN through a connection in Europe or the Middle East. Weapons are usually shipped from that area, meaning Eastern Europe and the Middle East.

[Moderator] Ivan Ortiz, "Up to Date" newscast.

[Ortiz] Good morning, Mr. President. Let me see where I am. Here we are. [Words indistinct] I would like to ask two questions. The first focuses on the forum. How does the government view private enterprise leaving the talks in September? How will it affect the process? Whether we like it or not, the government will have to comply with the National Association of Private Enterprise's [ANEP] petition because the discussions cannot continue if one sector is missing. Will the government pull out of the talks? Do you think ANEP's position is irresponsible? They argue that they do not want to complicate the political situation further as the 1994 election is drawing closer. Could you answer that question now? I will ask the other later.

[Cristiani] The labor sector, the business associations, and the government signed an agreement on principles for the talks that gives specific deadlines for the discussion of certain issues. If you recall I mentioned some of them here. Correct me if I am wrong, but I think 30 April was the deadline to conclude the International Labor Office discussion and 30 September for the draft labor code discussions. I believe the main reason for choosing those dates was to prevent a discussion of something such as the labor code from taking place during the election campaign when it can be easily politicized. I do not think the ANEP is making something up unilaterally as the principle agreement has been signed by the labor sector. We agree that the labor code issue must not be politicized, especially during an election campaign when everything becomes politicized. I believe it was a safe

move to agree on the dates stated in the document, and we must stand by them. We believe there is enough justification to avoid beginning a discussion on the labor code during the four months of the campaign. Once the election is over, the talks can continue. I do not think, however, that this is the only topic for discussion. There must be other less troublesome topics to discuss during that highly political period of time.

[Ortiz] My second question is about the arrest of (Arturo Castro). It has been reported that this lawyer had strong connections with the Nationalist Republican Alliance in the past, particularly the political commission. How can we interpret this case? The human rights prosecutor said these cases were not treated impartially because we learned that the DEA arrested this person but did not present him to the media as is usually done with other such people. They are presented before the media, but not Castro. How will this case be handled? Is there some sort of political interest in not publicly clarifying the case?

[Cristiani] As I understand you, there has been a tendency to turn this to a political issue by relating a certain individual with a specific political party and then trying to prove that there is, let us say, some sort of abnormal procedure in this case. In the first place, we have always been very clear in stating that any person who has broken the law will be punished, no matter where he comes from. The first thing is to bring the person before the court, which is beyond the reach of the executive branch. Regarding the participation of the DEA, the DEA usually informs the media about drug trafficking cases. If by chance they should run into some other type of crime, as an auxiliary justice organization, they remit the individual to the courts in accordance with the appropriate procedures. They do not...[pauses] Although it may be outside their realm of action, they do manage to arrest other types of criminals. In that context, those two individuals will have to face a legal procedure. That legal procedure will determine if they are guilty. That has nothing to do with the whether they are members of a political party or not. If we had wanted to manipulate the case, we would have prevented the individual from facing the court in the first place. Obviously when someone is arraigned it becomes public. That is not the way we work, because if anyone violates the law, that person will be taken before the court, regardless of his or her political affiliation.

[Ortiz] Let me see now...

[Cristiani] If you want some sort of advantage, you had better come prepared. [laughter]

[Ortiz] Mr. President, how is it possible that political interests prevail over national interests? The attorney general and the Supreme Court of Justice have not yet been appointed, which is a violation of the Constitution. What do you think about that?

[Cristiani] I do think it is something that should have been done by now. Those people should have already been appointed. We could say that this is perhaps the

first time the new constitutional provisions governing the appointment of certain officials have been applied. Often the way a legislature is composed makes a timely agreement more difficult. I have the impression that an official will eventually be appointed. We should start getting used to the fact that these appointments require a two-thirds vote and not a simple majority as in the past, which had facilitated appointments. We are all in the process of learning about democracy. This is one of the great challenges.

[Moderator] [Name indistinct] from TCS News.

[Reporter] Good morning. As part of the changes within the Armed Forces, rumor has it that the posts will be occupied by young military officers. I would like you to confirm [words indistinct].

[Cristiani] On 1 July there will be a special change of command ceremony held by the Armed Forces joint chiefs of staff, and new members will be sworn in. Actually, as far as active service is concerned, members of the so-called La Tandonia [reference to the 1966 graduating class of the Captain General Gerardo Barrios Military Academy] have completed 30 years of service. The large majority of those officers have already retired.

Villalobos Closes PRS-ERP Congress; Members Elected

PA2306180593 San Salvador DIARIO LATINO in Spanish 21 Jun 93 p 8

[Text] Joaquin Villalobos, secretary general of the Party of the Salvadoran Revolution-People's Revolutionary Expression (PRS- ERP), said in the closing speech at the congress of the party, which is a member of the Farabundo Marti National Liberation Front: "We need a new mentality and new members. Our doors are open, we want to be a party with a broad social base."

Villalobos said the PRS-ERP is not Marxist-Leninist and he rejected "any dogmatic idea that would tend to place the revolution within the framework of schemes that were defeated by history."

According to Villalobos, the Peoples Revolutionary Army's change of name to People's Revolutionary Expression was prompted by the importance his party has given the reconciliation process and the strengthening of the peace process.

During his speech Villalobos, speaking on behalf of the ERP leadership, assumed responsibility for Roque Dalton's death and announced that the ERP is trying to locate Dalton's remains. He said the ERP will soon be filing a report on the case. Villalobos also publicly apologized to the members of the National Resistance (RN).

The closing event began with the placement of a wreath by the mothers of three fighters killed during the war, in honor of all who died. Maimed fighters also attended a mass in honor of comrades killed in combat.

The members of the PRS-ERP Directorate were sworn in by a court of honor formed by Dr. Meliton Barba, Dr. Daniel Rios Lazo, Mirna Perla Anaya, Nicola Caroni and Rafael Velasquez, who were elected during the congress.

The PRS-ERP Directorate is once again formed by Joaquin Villalobos as secretary general and Ana Guadalupe Martinez as adjunct secretary general. The remaining members are: Juan Ramon Medrano, Marcelo Cruz Cruz, Rogel Blandin, Ana Sonia Medina, Sonia Aguinada, Mario Alberto Mijango, Francisco Emilio Mena, Leoncio Pichinte, Julio Argueta and Juan Jose Rodriguez.

Former Commander Denies FMLN Mined Honduran Territory

PA2306135793 San Salvador *DIARIO LATINO* in Spanish 21 Jun 93 p 7

[Text] The Farabundo Marti National Liberation Front [FMLN] denied on 21 June that it had mined Honduran territory, as charged by a Honduran official. Mario Mijano, FMLN coordinator of the mine sweeping program, said that tactic was only used along the border land pockets, which became Honduran territory following a ruling by the International Court of Justice.

Mijano added that the 150,000 mines that are supposedly buried along the Honduran border were placed there by contras who had their bases in the neighboring country. After dismissing the charges, former commander Mijano discussed the problems the mine sweeping program, which began on 23 May, is facing. After 71 days, work in eight of 16 zones have been completed, meaning 60 percent of the total work has been completed. So far, a total of 300 mine fields have been found in 18 zones, 60 percent of which pose no danger, he said.

The program has problems paying the staff of 250 workers, who do not have life insurance for the work they are doing. The FMLN is also very concerned that work is only being conducted in those areas that were under the responsibility of the guerrillas, but not in those areas where the Army operated and areas assigned as military training grounds.

It is precisely in those areas where 34 fatalities, out of a total of 94 accidents, have been reported, which involved children who handled the abandoned explosive devices.

The areas where the mine sweeping work has been concluded are: San Vicente, Morazan, and Usulután Departments. Work is currently under way in Guazapa Hill, Las Flores, and Las Vueltas in Chalatenango, San Francisco Javier in Usulután, and in the Chaparrastique Volcano in San Miguel Department. The mine sweeping program is expected to end in late August.

Guatemala

Germany Announces Resumption of Economic Aid

PA2406044593 Guatemala City *SIGLO VEINTIUNO* in Spanish 23 Jun 93 p6

[Text] The German Embassy announced on 22 June that Germany has decided to resume economic assistance to Guatemala and increase that assistance as possible. The German Government made the decision in light of the fact that it wants to help strengthen the constitutional order that was restored with the election of President Ramiro De Leon Carpio.

Commission Asks President To Conduct Army Purge

PA2306151493 Guatemala City *PRENSA LIBRE* in Spanish 21 Jun 93 p 3

[Text] The National Consensus Commission will promote a general Army purge, because the military leadership is part of the government and it does not have particular privileges. Mario Solorzano Martinez, a member of that group, reported on 21 June.

Solorzano Martinez, secretary general of the Democratic Socialist Party (PSD), stated that the Commission met with President Ramiro De Leon Carpio and asked him to conduct the purge, as well as to reduce the benefits of the military.

The National Consensus Commission is not a judicial court, but it has the duty to promote the people's requests and the purge of the Executive, Legislative, and Judicial Branches, which is needed in the government of De Leon Carpio, he added.

The president is willing to begin a purge in all sectors and it has not been ruled out that the Army purge will begin on 30 June, because a change is needed to improve democratic organizations, Solorzano Martinez stated.

The National Consensus Commission is willing to discuss each of the demands of the people and would accept a popular consultation, because it is important to take advantage of the atmosphere to purge all sectors, Solorzano Martinez asserted. This would be best done if we receive the people's support, he further stated.

Regarding the purge in the Congress of the Republic, the PSD secretary general said that the political parties must keep their promise.

In addition, he explained that the deputies who have not resigned still have a chance to show the people an attitude of national change.

So far there have been 51 resignations, which will be forwarded to the Congress plenum, because the National Consensus Commission does not have legal power, the PSD secretary general remarked. Therefore, he concluded, the Legislature will be the entity responsible for deciding who will abandon his legislative seat.

Group Urges Legislators To Return To Congress

PA2306171793 Guatemala City EL GRAFICO in Spanish 22 Jun 93 p 4

[Excerpt] According to a communique sent on 21 June to this newspaper by the National Consensus Group, this civilian organization has urged the political parties that have party militants in the Guatemalan Congress to ask their congressmen to return immediately to Congress to reassume their legislative responsibilities.

This group believes that deputies opposed to a purge in Congress are legislating on important issues hastily and without the concurrence of the people, who are most interested in these matters.

The group believes that the deputies are adopting decisions aimed at producing confrontation among the various social sectors. It is of the opinion, therefore, that the restructuring process the people want should be backed in Congress by the legislators.

The group has noted that the deputies who have presented their resignations have demonstrated respect for the will of the people. [passage omitted]

Government Appoints Health, Education Ministers

PA2306212693 Guatemala City Teleonce Television in Spanish 1800 GMT 23 Jun 93

[Excerpt] Presidency General Secretary Hector Luna Troccoli announced on 23 June that the government had appointed new ministers of education and public health and social welfare.

[Begin recording] [Luna] Dr. Celestino Tay Coyoy, the new education minister, has a doctorate in educational policies and several degrees in education science. He was proposed by the San Carlos University Mass Media Department. Gustavo Hernandez Polanco is the new health and social welfare minister. [passage omitted] [end recording]

Archbishopric Issues Statement on New Government

PA2306160293 Guatemala City SIGLO VEINTIUNO in Spanish 20 Jun 93 p 21

[Statement issued by the Human Rights Office of the Archbishopric of Guatemala in Guatemala City on 20 June]

[Text] The Human Rights Office of the Archbishopric, upon the beginning of the new government's activity, hereby states:

1. It is pleased that the presidency of the Republic is held by a Guatemalan citizen who is recognized, both locally and internationally, as a defender of human rights.

2. The violation of the human rights of Guatemalans is one of the most painful realities of our society's recent history and its present, and is one of the leading factors of sociopolitical destabilization.

3. The two main sources of these violations are the unequal distribution of wealth and the continuing internal armed conflict, which generate poverty and death.

4. The current turn of events has afforded us the conditions to move forward in consolidating a society that is respectful of human dignity.

It therefore encourages the government:

1. To direct its plan to solve the causes of such ills as poverty, social unbalance, and militarization.

2. To direct fiscal policy and use of state funds mainly to respond to the legitimate and long postponed demands of the people in the fields of health, education, employment, and housing. Such solutions constitute a minimal basis to attain overall development.

3. To become an agent for national unity and to allow the unification of a torn society, while respecting and appreciating the true value of the social groups and Mayan people, so that all Guatemalans will feel represented by a single state.

4. To reevaluate the recommendations made by Christian Tomuschat, the UN human rights expert, regarding the dissolution of the Voluntary Civilian Self-Defense Committees, the professionalization of the security forces to be led strictly by civilians, the replacement of the presidential chiefs of staff by a civilian entity with advisers appointed by the president, as well as the promotion of the draft law regulating military and social service.

5. To attend to the refugees, the repatriates, and the displaced people's cries for assurance of the minimal conditions that will afford them a dignified lifestyle and overall development.

6. To promote, with its actions, the conditions to redirect the peace talks and make one of the people's most cherished dreams come true, in the shortest possible time, through dialogue.

It encourages the civilian community:

1. To accept its responsibility in this process, which calls for the efforts of all sectors for the success of the revitalization of the political system and the recovery of the people's trust in the government's institutions.

2. To make realistic and viable contributions to the solution of the nation's problems and to promote dialogue among those sectors with differing interests, thus preventing polarization from continuing to serve as an obstacle in consolidating democracy in our country.

It encourages the Guatemalan National Revolutionary Unity:

1. To comply with the provisions of the Second Protocol to the 12 August 1949 Geneva Agreements (attacks against the nation's infrastructure, attacks against the civilian population, forced relocation from their homes, etc.) as recommended by Christian Tomuschat, the UN human rights expert.

2. To place the Guatemalan people's suffering above political strategies.

3. To review alternatives that will lead to the renewal of the dialogue process with the main objective of attaining peace.

[Issued] Guatemala, 20 June 1993.

Trial Requested for Belize Case Participants

PA2306145993 Guatemala City PRENSA LIBRE in Spanish 22 Jun 93 p 2

[Text] The Attorney General's Office on 21 June requested trials for treason against the fatherland of officials of the previous regime, members of the Legislative Branch, and magistrates of the Constitutional Court who supported the recognition of Belize's independence.

This request was filed before the Second Criminal Court after a group of citizens headed by Oscar Clemente Marroquin Rojas, urged the Attorney General's Office to ensure that those who surrendered the Belizean territory be prosecuted.

The action is mainly aimed at deposed President Jorge Serrano Elias and former Vice President Gustavo Espina Salguero, who planned the actions that led to the recognition of Belize with their advisers, whose names have not been revealed because they are part of the indictment.

The "members of the Legislative Branch who approved the former president's actions during a plenary session" are also being charged with treason against the fatherland.

Other targets are the Constitutional Court magistrates, except Dr. Jorge Mario Garcia Laguardia, E.aminondas Gonzalez Dubon, and Carlos Enrique Reynoso Gil, who in issuing their opinions noted that "the act of recognizing Belize was a unilateral and unconditional decision of the president of the Republic."

The request also states that "although it is claimed there is a territorial dispute that should be settled, the Belizean territory has been fully recognized as an independent state, because diplomatic relations were established, joint declarations were issued, and a plenipotentiary ambassador was appointed in violation of Article 173 of the Constitution, because the dispute was never subjected to popular consultation as required."

In this regard, it adds, justice tribunals must investigate all those who, in one way or another, approved the

actions of former President Serrano and must also begin trial proceedings against them for treason against the fatherland.

Correction to De Leon Speech on Government Actions

PA2306181193

The following correction pertains to the item headlined "De Leon Carpio Discusses Government Actions," published in the 22 June Latin America DAILY REPORT, page 10:

Column two, last graf, first sentence, make read: ...well as the subsidiary role of the state. From now on,... (rewording)

Page 11, column two, first graf, only sentence, make read: ...Rural Development Councils, the National Consensus Group [Instancia Nacional de Consenso], and others that... (rewording)

Page 12, column one, fourth graf, last sentence, make read: ...legislative affairs, and the post of presidential spokesman, which will be... (supplying indistinct words)

Nicaragua

Lacayo on Debt Pardons, Possible Amnesty for Rebels

PA2306224793 Managua BARRICADA in Spanish 20 Jun 93 pp 1, 12

[By David Gutierrez Lopez]

[Text] El Castillo, Rio San Juan—Presidency Minister Antonio Lacayo said here on 19 June that it would be "irresponsible" of the government to pardon debts acquired by the country's farmers with state banks. Lacayo continued: "The money belongs to the people, not the government. If farmers like to be given money, then so do children and unwed mothers. The pardon policy is incorrect." The minister then compared the pardon to a drug and a pinata-like giveaway that would bleed the economy dry.

Lacayo delivered 417 Agrarian Reform deeds to an equal number of peasant families who will benefit from 20,348 manzanas in El Castillo, Nueva Quezada, La Maravilla, Boca de Escalera, and Ernesto Che Guevara communities. The peasants gathered for the event before the Inmaculada Concepcion Fortress, which Rafaela Herrera defended from British attackers in 1762.

Netherlands Ambassador Kaus Mylhom attended the ceremony and announced that his government has decided to grant Nicaragua a preferential cooperation status that is unique in Netherlands relations with Latin America. Netherlands assistance to Nicaragua in 1993 will be approximately \$20 million. According to Ambassador Mylhom, his country decided to grant Nicaragua

preferential status due to the country's national reconciliation policy. The diplomat also expressed his interest in preserving the environmental reserves in the Amortiguamiento zone, which has more than 1 million manzanas of untouched forests. He urged the people who own lots there not to sell the land that borders with Costa Rica and in the Atlantic area because it could be destroyed, thus disrupting the natural equilibrium that belongs to mankind.

For his part, Minister Lacayo neither confirmed nor denied reports that rearmed groups were leaving some enclaves because their security had allegedly been weakened by diminishing hopes for a possible amnesty. Lacayo said businessmen and members of religious and political sectors and of the OAS International Commission for Support and Verification will soon visit rebels in the enclaves to try to persuade them to surrender their weapons. After the talks take place, society may agree that amnesty should be decreed. He reiterated that there is a 30-day deadline for the rebels to enter security areas; in the meantime, the Army must stay away from the enclaves. Lacayo also rejected the idea of a military offensive against more than 1,200 rebels. "We are going to try to negotiate as much as we can," he said.

Lacayo told local peasants that this is not the time for cheap election campaigns by political parties. "This is time for work," he stated.

INRA Director Says Rearmed Groups Threaten Project

PA2306181893 Managua Radio Nicaragua Network in Spanish 1100 GMT 21 Jun 93

[Text] The overall development project the National Institute for Agrarian Reform [INRA] is conducting in the northern part of the country is threatened by the instability created by rearmed groups, said INRA Minister-Director Bohanerges Matus.

One of the (?complaints leveled) by the rearmed groups has been the government's failure to guarantee the properties that were offered to them. Nevertheless, Matus pointed out, it is important to be aware of their specific views.

The INRA has an institutional land title plan that has been reformulated several times since 1992, Matus said, proof of this is that on 26 June, land titles for 24,000 manzanas of land will be distributed. Matus also referred to the 417 land titles presented in Rio San Juan.

The overall development project under way in the northern part of the country, specifically in municipalities like Rio Blanco, was achieved through the efforts of the INRA, which managed to collect \$22 million for the project. This project is an answer to many unpleasant situations that have emerged.

Taiwan Ambassador Comments on Investment Plans

PA2306221893 Managua LA PRENSA in Spanish 22 Jun 93 p 2

[Interview with Ki Tseng Lin, Taiwan's ambassador to Nicaragua, by unidentified reporter in the Blue Room of the Augusto Sandino International Airport in Managua; date not given]

[Text] [LA PRENSA] How do you feel after accompanying this important group of investors and hearing the Nica-Eastern Development, Inc. announcement on the substantial investments they plan to make in Nicaragua?

[Lin] As Taiwan's ambassador in Nicaragua, I am quite pleased and satisfied. This group is one of the strongest investment groups in Taiwan, and they can set a very good example to prompt other Taiwanese into investing in other sectors.

[LA PRENSA] Mr. Ambassador, your country seems to have a great deal of conviction that Nicaragua can offer the necessary conditions to accommodate investors such as Mr. C.P. Lin, Eugene T.C. Wu, and James L.S. Lin.

[Lin] I believe we do, because investors normally do a more in-depth evaluation than we do. To my knowledge, they have a lot of confidence in Mrs. Violeta Chamorro. That is true not just of this group but of all Taiwanese investors.

[LA PRENSA] We have heard the group plans to make significant investments in the Intercontinental Hotel to transform it into a four star hotel.

[Lin] Mr. Ching P. Lin [president of the Nica-Eastern Development, Inc.] believes the group could invest at least 5 million [currency not specified] during the next three years to push the hotel to a four star level. They have thought about increasing the number of rooms by building a new structure. Mr. C.P. Lin has expertise in this area because he already owns three hotels; two in Taiwan and one in Mauritius.

[LA PRENSA] Why were Managua Mayor Arnoldo Aleman and Deputy Mayor Cedeno here today?

[Lin] The group took the opportunity to meet with Mayor Aleman at the Intercontinental Hotel before leaving Managua to exchange points of view on development plans. Mayor Aleman was very pleased with plans for investment in Managua and with the blueprints they showed him. The mayor also asked the group to evaluate possibilities for future investments in the old part of Managua, which had been one of the group's original ideas two years ago.

Political Leaders Discuss Godoy, Somozists Alliance

PA2406130993 Managua Canal Cuatro Television in Spanish 0300 GMT 22 Jun 93

[Report by Jorge Katin]

[Text] The dispute among Liberals apparently has no solution, although the Liberal Constitutionalist Party [PLC] and Independent Liberal Party presidents are careful not to admit this in public. Moreover, Dr. Virgilio Godoy recently signed a political alliance with the Somozist Liberals who live in Miami and have direct connection with the defunct National Guard. PLC Secretary General Leopoldo Navarro has rejected this type of alliance.

[Begin recording] [Navarro] We do not think we would endorse this alliance now. We have an alliance with the other Liberal groups in Nicaragua and they are the only valid official alliances.

[Unidentified reporter] Does the PLN [not further identified] have any reason to exist in Nicaragua?

[Navarro] I do not think so. It is now part of our history, just like Somozism. We now have the Liberals. We are now trying to bring them together—all the Liberals. [end recording]

Dr. Navarro said he respects Dr. Godoy's political initiative to form a party but he believes it is not advisable and it will not prove beneficial for the so-called Liberal unity, which is so necessary for the 1996 elections.

Social Democratic leader Duilio Baltodano shares Dr. Navarro's opinion, meaning this alliance with the remnants of Somozism will not help the Liberals.

[Begin Baltodano recording] I think this alliance would be detrimental. That is my opinion. Liberals should not relinquish their leadership to people who have been out of the country, but that is an option members of these parties must choose bearing in mind the possible consequences. [end recording]

Miami media has termed as successful the alliance between Godoy and the former National Guard members, but the prevailing opinion in Nicaragua is apparently different. Although National Opposition Union parties do not criticize it openly, no one supports its unanimously.

Panama

Endara Visit to Guatemala Reaffirms Interest in Peace

PA2306152693 Panama City LA PRENSA in Spanish 23 Jun 93 p 1

[Text] President Guillermo Endara Galimany's presence in Guatemala proved the Panamanian Government's

interest in reaffirming peace and democracy in the region, according to a press statement released by the Presidency.

The Presidency communique on the Panamanian president's recent visit to the neighboring Central American country, points out that "although it is true that the president's presence prompted reactions, it is also true that these reactions were stated with the respect owed a head of state."

Through his press secretariat, Endara received a list of goals from a group of Guatemalan workers who are demanding the extradition of former President Jorge Serrano Elias, who is exiled in Panama.

President Endara said that Panama is not protecting the former president; "We are only adhering to international law; that is why we have granted him political asylum."

President Endara and his Central American counterparts signed a joint declaration that underscores that the region is on the path to democratic institutions and it is enriching and renewing itself in accordance with each country's needs and characteristics.

Serrano Leaves Hotel, Moves To Private Residence

PA2306152593 Panama City LA PRENSA in Spanish 23 Jun 93 p 1

[Article by Vilma E. Figueroa B.]

[Text] The Presidency of the Republic has reported that former Guatemalan President Jorge Serrano Elias, who sought asylum in Panama on 6 June following his self-inflicted coup, abandoned the Marriott Caesar Park Hotel on 22 June. Serrano had been staying at the Marriott Hotel since his arrival in Panama.

Presidential Press Secretary Rene Hernandez confirmed that Serrano Elias, his wife, and five children, had moved from the hotel to a private residence. The location of the private residence was not disclosed.

Serrano Elias and his wife were staying in the Presidential Suite, which costs \$525 plus 10 percent tax a day, and four additional rooms for their children. All these expenses were covered by President Guillermo Endara's government.

The Guatemalan Government requested the arrest of Serrano who is charged with violating the Guatemalan Constitution, exceeding his authority, and illegal enrichment.

Hernandez said that former President Serrano did not run away. He "simply moved," adding that Serrano is now responsible for his own expenses. However, Hernandez said that Serrano will continue to be protected by members of the Institutional Protection Service (SPI).

Likewise, former Guatemalan Government Minister Francisco Perdomo, his wife, and his three children, have also moved from the Marriott Hotel to a private residence.

Lucas Zarak, Panamanian Legislative Assembly president, a personal friend of the former president, said that Serrano had moved to a private residence he rented in Panama Province.

Zarak said that Serrano is safe and feels comfortable in Panama, which is why he chose to reside here. Zarak added that Serrano "is calm and on 21 June he went grocery shopping and visited several stores."

Ford Confirms U.S. Dollar To Circulate After 2000

PA2306165193 Panama City Telemetro Television Network in Spanish 1730 GMT 22 Jun 93

[Text] Panamanian Vice President Guillermo Ford says the U.S. dollar will continue circulating in Panama after 2000. He said this at the 11th International Seminar on Insurance Finances.

Ford said the dollar will continue to be legal tender in Panama alongside the balboa, which will be maintained as a symbol of sovereignty. He said the 1904 Treaty between Panama and the United States will remain in effect. This treaty establishes that both the dollar and balboa will circulate in Panamanian territory.

[Begin Ford recording] Panama will maintain its 1904 Treaty with the United States, which guarantees the dollar as Panama's currency, in addition to the Panamanian balboa, which will be maintained as a symbol of sovereignty.

Panama, a traditional service port for the world, must and will modernize its structures. Military governments create burdensome, amorphous structures that gradually foster bureaucracy, which leads directly to crime. Our system must be purged. I will share something with you that I have said publicly on many occasions: I believe in a small government, a large and strong private enterprise system, and a good relationship between capital and labor to avoid labor-related conflicts. [end recording]

Ford characterized the political groups that advocate Panama's having its own monetary system as demagogues.

Editorial on Trade Dispute With Costa Rica

PA2306213493 Panama City EL PANAMA AMERICA in Spanish 21 Jun 93 p 6A

[Editorial: "The Costa Rican Example"]

[Text] When the International Financial Institutions need to present a Central American role model that is in tune with aspirations for trade opening and integration depicting the new economic order, they normally select Costa Rica. Seminars are organized on its customs surtax reduction policies, and details on its efforts to establish closer ties with other countries in the region are revealed. A connection is made between its policies and economic growth as well as the growing degree of welfare its population enjoys.

But the facts reveal that despite public statements by its leaders on economic modernization, Costa Ricans still adhere to traditional protectionists policies in making certain decisions. At least that is what their positions on the General Treaty on Central American Economic Integration and on the Free Trade and Preferential Treaty signed with Panama suggest.

Last May Costa Rican representatives refused to sign the draft protocol of an integration treaty that included a commitment to free movement of workers and commodities throughout Central America because Costa Rica determined that such a policy would be detrimental to their interests. That inflexible position forced the other countries to attenuate the document with vague public statements that had no real significance for the participating countries.

Now the Costa Ricans have decided not to honor a Free Trade Agreement with Panama, first by demanding an inspection of all Panamanian cheese and milk plants before they would resume buying our products. They subsequently imposed a 20-percent surtax on Panamanian cheese to force the product off the market. According to charges made by Panamanian business sectors, the measure is a response to pressure from a company owned by a high Costa Rican government official.

It is important to note the difference between what some countries proclaim as economic policies to satisfy their creditors and what they do to satisfy their interests. Our authorities should keep in mind that lyrical statements on economic opening is one thing, and what is implemented once the politicians return home is another.

Argentina

Deputy Foreign Minister Views Condor-2 Deactivation

PY2306180493 Buenos Aires TELAM in Spanish 1249
GMT 23 Jun 93

[Text] Buenos Aires, 23 Jun (TELAM)—Deputy Foreign Minister Fernando Petrella said today the missile technology of the deactivated "Condor-2" project was "clandestine with suppliers that cannot be named." He stressed that, following its dismantling, the United States will cooperate with Argentina's aerospace and satellite development.

In remarks to Radio Mitre, Petrella said that "the Condor-2 is not the type of missile technology required by Argentina," adding that its dismantling is advantageous to our country.

Petrella explained that the United States "is now willing to supply all types of cooperation in the field of aerospace and satellite research."

Petrella added: "We will receive cooperation if we operate properly now that we have overcome the 'self-apartheid' [auto-apartheid] that we imposed on ourselves with the Condor project."

Moving on, Petrella stressed: "The Condor technology was clandestine and with suppliers that cannot be named." He pointed out: "Some day, the source for the project's funds will be known. It must, it will be known."

Concerning the project's deactivation, Petrella emphatically added: "Basically, it was advantageous for Argentina. Unfortunately, it prompted an arms race in the southern cone in the mid-1980's. On the other hand, it had very negative strategic implications for our country."

Concerning the loss of some of the missile's components, manufactured in the town of Falda del Carmen in Cordoba Province, the deputy foreign minister said: "I hope these components will appear because, otherwise, they will enter the black market."

Petrella reported that today the Foreign Ministry will respond "in writing" to an official note sent by Judge Martin Irurzun. In his note, the judge asks if the Foreign Ministry initiated an administrative investigation against Argentine Ambassador to Brazil Alieto Guadagni to determine his responsibilities while he was Foreign Ministry international economic relations secretary.

The petition not only involves the Matanza River decontamination project (on which the ambassador has already been interrogated), but other enterprises conducted within the framework of a "joint venture" agreement with Italy.

Petrella pointed out: "I do not believe 'prima facie' that we should conduct any administrative investigation because the investigation that the judge is conducting

has been unsuccessful." The deputy foreign minister concluded: "We believe Guadagni's performance was irreproachable."

Economy Minister Cited on GATT, Trade Issues

PM2306132993 Paris LE MONDE in French 22 Jun 93
p 23

[Jean-Pierre Tuquoi report: "Argentine Economy Minister Favors EEC-U.S. Compromise"]

[Text] Domingo Cavallo, Argentine minister of economy and finance, strongly hopes that the GATT talks will conclude before the end of the year. But he cautiously refrains from making any forecast...

Domingo Cavallo, the man who straightened out Argentina's economy, has become an international commercial traveler. The economy and finance minister came to Paris Monday 14 June to sing the praises before an audience of industrialists of the wonderful opportunities which he says are afforded by Argentina and its enterprises in the throes of privatization. "We are pleased with France's interest in our privatization program, particularly in telecommunications and the water supply system," he said, "but there is still a great deal to do in the field of tourism, mining, and the utilities. These are areas where the French have a part to play."

For the time being it is the privatization under way at the Argentine oil company YPF (Yacimientos Petroliferos Fiscales) that is causing the problem. Accused of expediting the schedule for electoral reasons (general elections are scheduled for October) and selling off the country's flagship state enterprise (with an estimated value of around 40 billion francs), Mr. Cavallo defends himself with calm assurance. "Privatization is proceeding according to schedule and the methods approved by the Congress," he asserts. "As for the decision to earmark some of the proceeds to settle our debts to pensioners, the left is in no position to criticize us for that, given its ideas."

Business circles have other criticisms to make: The national currency, the peso, henceforth aligned to the dollar is alleged to be overvalued, putting Argentine exports at a disadvantage. Well, is the peso overvalued? The economy minister does not think so. "On the contrary, for two years now the Central Bank of Argentina has been intervening and selling dollars to prevent the revaluation of the dollar." Is this influx of currency not due primarily to Buenos Aires' abnormally high interest rates? The "father of the Argentine miracle" deftly sidesteps the question by saying: "They are no higher than in Europe."

As an advocate of free trade and leader of a country that is a big exporter of agricultural produce, Mr. Cavallo ardently hopes that the GATT talks will be concluded before the end of the year. "The revival of protectionism and the devaluation rivalry of the last decade or so would ease. That is the best-case scenario as far as Argentina is

concerned." But, being prudent if not to say pessimistic, the minister prefers not to make any predictions. If there were just one piece of advice he could give the industrialized countries, it would be "not to question the Blair House agricultural agreement."

In the event of failure in Geneva Mr. Cavallo thinks that "Argentina's situation would be no worse. The world agricultural trade is so affected by subsidies from rich countries that the situation cannot be any worse than it is today." For all that, Argentina's strategy will be to "reinforce" Mercosur, the embryonic common market incorporating most South American countries and, beyond that, secure it to the three members of NAFTA—the free trade treaty awaiting ratification between Mexico, the United States, and Canada. "It would of course be better to conclude the Uruguay Round. If that is impossible, the organization of a large American continental free trade zone is an interesting alternative."

Navy Captures Polish Fishing Ship

PY2306133793 Buenos Aires TELAM in Spanish 2023 GMT 22 Jun 93

[Text] Buenos Aires, 12 Jun (TELAM)—It was officially reported that the Navy this morning captured a Polish flag fishing ship illegally operating in Argentine waters.

The Navy staff has reported that personnel of the Espora missile corvette captured and inspected the ship within Argentina's exclusive economic zone, off Valdez Peninsula.

Government Supports 'Freedom of Expression'

PY2306220293 Buenos Aires TELAM in Spanish 1534 GMT 23 Jun 93

[Text] Buenos Aires, 23 Jun (TELAM)—The government has ratified the constitutional guarantee of freedom of expression "in all its extensions." The government also announced "the presidential decision to rehabilitate Tucuman's paper mill because the state is the main creditor of this firm, which is going through bankruptcy proceedings."

"The constitutional guarantee of freedom of expression is a landmark of the national government's working philosophy, which aims at promoting an integral use of the radio broadcasting band within a good balance of opportunities," the government stated.

The media secretariat said last night: "As the president said during a television program on 21 June, the general secretary is working on the final draft of a radio broadcasting bill that will be sent to Congress next week."

The government issued a communique signed by Media Secretary Raul Horacio Burzaco saying: "The secretariat consulted representative elements of the private sector before drafting the general guidelines for the radio broadcasting bill that will fully ratify the constitutional guarantee of freedom of expression."

The communique said: "The government has decided to act quickly on the request submitted by the Argentine Association of Rural Newspapers (ADIRA) to the Media Secretariat with respect to the crisis afflicting the industry due to the inadequate supply of paper on the national market."

The communique added: "As a result, the president of the Republic has decided to examine all existing alternatives, looking for a quick rehabilitation of Tucuman's paper mill because the state is the main creditor of this firm, which is going through bankruptcy proceedings."

Regarding the bidding on Channel Four television frequencies, the Media Secretariat said: "The commission created by Decree No. 875/93 in order to work out the documents on bidding conditions already has been installed."

"The president also has called for a quick discussion of the project's technical and legal aspects in order to launch the public competition in July."

Bolivia

Condepa May Not Join Government Coalition

PY2406023693 La Paz Television Nacional Network in Spanish 0000 GMT 24 Jun 93

[Text] It has been confirmed that if the MNR [Nationalist Revolutionary Movement] seeks an agreement with the UCS [Solidarity Civic Union] of Max Fernandez, Condepa [Conscience of the Fatherland] will not participate in a government coalition. Let us listen to the report.

The MNR is not only concerned with obtaining 77 votes in Congress to elect its candidate as president. The MNR also is concerned about the country's governability during the next four years. Two names already are being mentioned as a result of the need to form a coalition. They are the MBL [Free Bolivia Movement] and Condepa. But politicians also are mentioning the UCS as a possible alternative. Condepa leaders, however, have clearly stated that they will not sign any pact with the MNR if the coalition includes the UCS. Condepa leaders said this is due to the UCS' party background.

[Begin recording] [Condepa leader Ricardo Paz] Of course not. There are deep-rooted reasons. It has to do with our political position, with respect to our most important principle of moral revolution. I want to recall that MNR leader Gonzalo Sanchez de Lozada himself, during a face-to-face television program, told Max Fernandez that he was a tax evader, he operated with public money, and he used Cochabamba's city hall for his own businesses.

[Unidentified Condepa official] Officially, Conscience of the Fatherland will not negotiate, will not talk about any possibility of working together in the government if

Max Fernandez or his party intervenes. We have moral and ethical reasons. We must be consistent. [end recording]

The MBL has always been anti-neoliberal, Condepa has its endogenous model, while the MNR has a plan for all. Can the MBL and Condepa ideologies be included in the MNR?

[Begin Ricardo Paz recording] No. I would not say that. The MNR program is evidently eclectic, very pragmatic. It has great flexibility. The possibilities for an agreement will be greatly enhanced if they show the intelligence and patriotism to improve their plan and elaborate a government plan of consensus. [end recording]

Ricardo Paz points out that the possibilities are many and the last word has not been said yet, although Condepa presents new proof of corruption within the UCS everyday. The talks are progressing and the alliance to grant governability to the MNR will conclude in the next few days.

Brazil

Government Says U.S. Tax on Steel 'Unacceptable'

PY2306234493 *Brasilia Voz do Brasil Network in Portuguese* 2200 GMT 23 Jun 93

[Text] The government considers the U.S. decision to impose a surcharge tax on Brazilian steel exports unacceptable.

The Brazilian Government will present the case at GATT, trying to negotiate the surcharge tax imposed by the U.S. Government on Brazilian steel exports. This information was released by Ambassador Rubens Barbosa, Foreign Ministry under secretary general for integration, economic, and foreign trade affairs. He said the surcharge tax imposed by the United States affects the production of 19 countries and will cause a loss of \$120 million to Brazilian steel exports:

[Begin Barbosa recording] The measures imposed by the U.S. Government will have great repercussions on Brazilian exports. The Brazilian Government considers these measures unacceptable and has received them with great concern. We have instructed our GATT mission to take a series of measures aimed at starting a stage of conciliation and negotiation with the United States. We also will join the EEC study and work group that is being created to discuss the issue with the U.S. Government. [end recording]

Ambassador Barbosa reported that the surcharge tax on Brazilian steel will become effective on 5 August, and that negotiations at GATT will be slow and results will only be seen in the long term. He said the Foreign Ministry and the Industry, Commerce, and Tourism

Ministry are examining other alternatives for Brazilian steel exports such as the Latin American and Asian markets.

Surcharge Received With 'Indignation'

PY2406141993 *Sao Paulo O ESTADO DE SAO PAULO in Portuguese* 23 Jun 93 *Economic and Business Section p 10*

[Article by Odete Pacheco]

[Text] The decision made by the U.S. Commerce Department to surcharge the import of Brazilian steel plates on the charges of dumping [preceding word in English] (sale below cost) was received with indignation. "If the measure is maintained we will be out of the U.S. market," said Rudolf Buhler, technical director of the Brazilian Iron and Steel Institute (IBS).

In the face of this "condemnable protectionist action," Pratini de Moraes (PPR-RS) [Progressive Renewal Party-Rio Grande do Sul], federal deputy and president of the Brazilian Foreign Trade Association, promised to submit soon to Congress a bill as a retaliation against U.S. exports to Brazil.

Yesterday afternoon, officials of Cosipa [Sao Paulo Iron and Steel Company], CSN [National Security Council], and Usiminas [Minas Gerais Iron and Steel Company] held a meeting in the IBS headquarters in Rio de Janeiro to discuss the measure.

As an argument that the surcharge goes against GATT regulations, they will try to revert the situation. If the Foreign Ministry agrees, in a meeting scheduled for next week this issue will be submitted to the GATT.

The export of products affected by the surcharge add up to 300,000 metric tons or \$112 million a year. This volume represents only 4 percent of national steel exports. They represent, however, 35 percent of total exports to the United States (the largest importer of Brazilian steel). That country buys 12 percent of Brazilian steel sold abroad.

The United States is imposing a surcharge on steel imports since November. But yesterday, despite the efforts of Brazilian iron and steel mills, the U.S. decision became definite.

Industry May Lose \$115 Million

PY2406025193 *Rio de Janeiro O GLOBO in Portuguese* 23 Jun 93 p 22

[Text] Sao Paulo—The Brazilian steel industry will suffer a loss of \$115 million this year due to the surcharge the U.S. Department of Commerce imposed on 22 June. This estimate was made by Rudolf Buhler, Brazilian Steel Institute (IBS) executive director, who indicated that the [management] of the companies that have been harmed will be visiting Itamaraty next week.

One-third of the Brazilian steel industry's sales, \$3.2 billion per year, is generated by exports. The U.S. market absorbs 12 percent of those sales, amounting to \$115 million, which the companies say they will not be able to export due to the surcharge.

Federal Deputy Marcos Vinicius Pratini de Moraes (PPR-RS) [Progressive Renewal Party-Rio Grande do Sul State], president of the Brazilian Foreign Trade Association (AEB), on 22 June defended the idea of the Brazilian Government answering in kind against the U.S. sanctions.

Franco Says Difficulties With Paris Club 'Clarified'

PY2306133393 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jun 93

[Text] President Itamar Franco has asserted that the Brazilian position with the Paris Club has been clarified. The Paris Club is made up of the official banks of the wealthy countries. Through his advisers, President Franco said that it is up to Finance Minister Fernando Henrique Cardoso to deal with the issue.

The foreign banks were threatening to suspend their agreement with Brazil because the country has allegedly not renewed its accord with the IMF.

Cardoso Sees No U.S. Objection

PY2406142193 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 24 Jun 93

[Text] Finance Minister Fernando Henrique Cardoso said he has information that the United States will not object to an agreement whereby Brazil could renegotiate its debt with the Paris Club. Representatives of the Paris Club creditor countries will meet today in Paris to decide the future of these negotiations.

Cardoso stated that there should be no problems with those agreements that were signed earlier by Brazil.

Cardoso also noted that the Brazilian treasury will honor its commitment to repay the debt of state-owned companies that are either bankrupt or unable to keep their payments up to date.

Deputies Approve Financial Operations Tax Bill

PY2306140293 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jun 93

[Text] The Chamber of Deputies last night approved the bill establishing rules for the implementation of the Provisional Tax on Financial Operations, IPMF. The bill received 308 votes in favor, 87 against, and six abstentions. The quorum of 401 deputies was deemed extremely well attended for a Tuesday session and was the result of intense efforts by the government in the last few days.

The Renewalist Labor Party, the Workers Party, and the Communist Party of Brazil voted against the bill. Despite a request by its president, Luis Eduardo Magalhães, the Liberal Front Party voted en masse with the parties that support the government. The Brazilian Democratic Movement Party, the Brazilian Social Democracy Party, the Popular Party, the Brazilian Labor Party, the Liberal Party, the Democratic Labor Party, the Brazilian Socialist Party, and the small parties supported the government bill, which is deemed essential for the implementation of Finance Minister Fernando Henrique Cardoso's Immediate Action program.

After approving the text of the bill, the plenum voted on the special items reviewed by Chamber of Deputies President Inocencio de Oliveira. They asked that the bill be immediately sent to the Senate to be voted on next week. The government hopes to start collecting taxes on checks as of August.

PMDB To Nominate Recife Mayor for President in 1994

PY2406142393 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 24 Jun 93

[Text] Senator Jose Fogaca, national president of the Brazilian Democratic Movement Party [PMDB], has stated that his party will nominate its own presidential candidate for the 1994 election. He noted that Recife Mayor Jarbas Vasconcellos is a strong candidate for either president or vice president.

Fogaca said that Vasconcellos' chances will improve if the PMDB decides to promote an alliance between southern and northeastern states. He added that the Recife mayor enjoys the highest popularity rate in the country because he has an 80 percent approval rating.

Fogaca also charged that despite the PMDB support at the Chamber of Deputies to pass the Provisional Tax on Financial Operations, the government has not accorded the required attention to PMDB congressmen. He contended that some government officials are preventing PMDB congressmen from participating in the decision-making process. He warned that this situation is causing uneasiness among PMDB deputies.

Fogaca stated, however, that despite all this the PMDB is determined to continue to support the government.

Culture Minister Hospitalized in Rio de Janeiro

PY2306181693 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 23 Jun 93

[Text] Culture Minister Antonio Houaiss felt ill this morning and was hospitalized in a Rio de Janeiro hospital. Houaiss' private physician, Dr. Renato Kovack, said his patient may be suffering from a gastric complaint or an ulcer. He added that the culture minister is in good condition.

Antonio Houaiss is currently under observation in the intensive care unit.

Chile

Defense Minister on Chemical Weapons, Berrios Case

PY2306192393 Santiago Radio Cooperativa Network in Spanish 1100 GMT 23 Jun 93

[Report by Marcela Torrejon]

[Text] Asked about reports that his upcoming trip to Argentina is prompted by a concern over the chemical weapons issue, Defense Minister Patricio Rojas emphasized that Chile has ruled out any possibility of purchasing, using, and manufacturing chemical or toxic weapons. In 1991, Chile and Argentina signed the Mendoza Declaration, banning chemical weapons, Rojas remembered.

This issue gained prominence with the expectations raised by Eugenio Berrios, a former Dina [National Intelligence Directorate] agent and chemist, who has the formula for the lethal gas Sarin.

In at least two court proceedings involving the Dina, it has been attested that this substance was used to kill people.

Defense Minister Patricio Rojas confirmed that our country does not have any chemical weapons. He emphasized his belief that Berrios was never abducted in Uruguay.

During a ceremony to mark the 106th anniversary of the Navy Undersecretariat, the defense minister discussed an issue raised by Senate President Gabriel Valdes who proposed a three-month period to resolve all pending problems in the field of human rights.

[Begin recording] I believe it is positive. Its feasibility must be properly reviewed from a judicial, legislative, and procedural viewpoint.

I believe it represents a sign by the Senate president, expressing the Chilean people's desire to quickly achieve that level of reconciliation that we have still not achieved. [end recording]

Concerning the period proposed by Senator Valdes, Minister Rojas said he is not qualified to voice an opinion on this point. Nevertheless, the proposal is worth considering, Rojas added.

In conclusion, the defense minister (?supported) his previous remarks on the trials for alleged human rights violations, denying that his remarks had caused any discomfort to the Army.

I have said the trials must be expedited in order to quickly achieve a balance among proper justice, reconciliation, and peace, Rojas noted. The defense minister

pointed out that this is the state in which all Chileans—including, of course, civilians and soldiers—want to live.

Foreign Ministry Official on Berrios Case, Pinochet

PY2406142593 Santiago Radio Cooperativa Network in Spanish 1100 GMT 24 Jun 93

[Text] The authenticity of [abducted Chilean chemist] Eugenio Berrios' letter and photograph must be investigated by the Uruguayan consulate in Milan.

This information was supplied by Foreign Relations Under Secretary Rodrigo Diaz Albonico after he was asked about the arrival of these documents in Montevideo.

The Foreign Ministry official made it clear that the investigations, at any rate, must be conducted by the Uruguayan Government through special organizations. He said: I believe this type of letter, allegedly written by Eugenio Berrios, must be reviewed by experts. First, it is necessary to compare the handwriting to determine if it matches the person's writing, Diaz Albonico added.

The foreign relations under secretary said the government will not get involved in this issue because it is not appropriate for the Foreign Ministry to determine the authenticity of the former Dina [National Intelligence Directorate] agent's two letters.

Diaz Albonico also noted that the investigations into the location of missing Eugenio Berrios continue after he was photographed with a copy of a Milan newspaper dated 10 June.

Moving on, the foreign relations under secretary said he will not voice an opinion on the Israeli refusal to [accept] a possible visit by Army Commander-in-Chief Augusto Pinochet.

Army Prosecutor General Views Human Rights Violations Cases

PY2306160393 Santiago Radio Cooperativa Network in Spanish 1100 GMT 23 Jun 93

[Text] General Fernando Torres Silva, the Army prosecutor general, has stressed that about 1,000 soldiers are officially involved in judicial proceedings.

The information supplied by the high-ranking Army officer contradicts remarks made on 21 June by Enrique Correa, the minister secretary general of government, who mentioned about 200 cases.

General Torres was accompanied by attorney-at-law Jorge Burgos from the Interior Ministry, who is a member of a commission established to determine the number of judicial proceedings with the goal of expediting them. These cases involve serious human rights violations.

Concerning his role within this commission and the number of cases involving the Army, General Torres said the following:

[Begin recording] I am a spokesperson rather than a coordinator. There is a series of judicial proceedings throughout our country. We are talking about 1,000 cases. This is the real and official figure which, one way or another, involves active-duty and (?reserve) personnel. [end recording]

General Torres added that apparently no agreement has been reached with the government yet.

The Army prosecutor general made these remarks after trying to meet with Supreme Court President Marcos Aburto.

Economy Minister Views Commercial Ties With Russia

PY2306171693 Santiago EL MERCURIO in Spanish
5 Jun 93 p B3

[Article by special correspondent Claudio Salinas M.]

[Excerpt] Moscow—The visit by a delegation of businessmen from the Urals, and prospects of new business deals in several areas are the immediate outcome at the economic level of the presidential visit to the Russian Federation.

This was confirmed yesterday by Economy Minister Jorge Marshall, a member of the official entourage that accompanied President Patricio Aylwin on his tour through Scandinavian countries and Russia.

Marshall explained that the basis for more promising economic ties were established in the meetings between Chilean officials and representatives of the Russian state and the emerging Russian private sector.

He specified that during this visit economic ties were established with the financial sector, through traditional markets and new businesses.

Marshall explained that Russian financial market is visibly interested in learning about the Chilean experience regarding financial markets and the management of pension funds, adding that some contacts have already been established in this regard.

Asked to describe the "traditional markets," the economy minister stated that advanced negotiations are underway between Chilean and Russian businessmen seeking to develop exchanges in mining, oil, and natural resource industries.

He announced that a business delegation from the Urals will visit Chile during August to study the possibility of joint undertakings, particularly in the production of agricultural products.

Regarding "new businesses," Marshall noted an intensive exchange between medium-size Chilean and Russian companies. He said that although the amounts involved in these activities are small, the trend is increasing.

Marshall said that many Russian businessmen are interested in setting up exhibits at the Santiago International Fair while Chilean businessmen are interested in showing their products in Russia.

Trade has increased during the first half of this year. So far this year, Chilean exports surpass \$12 million, and this is only regarding copper products. [passage omitted]

Tunisian Envoy Discusses Purchase of Military Equipment

PY2306155593 Santiago EL MERCURIO in Spanish
10 Jun 93 p C4

[Text] After meeting with Defense Minister Patricio Rojas, Tunisian Ambassador Hassine Souki [name as published] yesterday said his country is discussing the purchase of military equipment with Famae [Army Ordnance].

The diplomat said he is not an arms specialist and he is not aware of the type of arms in which his country is interested. He admitted, however, that contacts with Famae are going fine. Souki said: "We are trying to buy some military equipment."

He reported that he visited Famae yesterday morning and that Famae executives showed him all the weapons manufactured by the institution

Colombia

Border Negotiations With Venezuela Suspended Until Feb

PA2406135393 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 0030 GMT 24 Jun 93

[Text] Venezuela and Colombia have suspended border negotiations until February 1994. In order to avoid the deterioration of economic and trade relations between both nations, which are currently at good levels, the Caracas and Santa Fe de Bogota Foreign Ministries have assigned the pending matter to a negotiating committee. This committee made the decision to suspend negotiations given that the current institutional circumstances in Venezuela and the election campaigns—here and there—are not the most adequate circumstances in which to present projects and agreements between both nations.

To conclude, the commission urged the presidential candidates, in both nations, not to use this issue for campaign purposes.

Liberal Presidential Hopeful on Cali Cartel, Escobar

PA2306161293 Santa Fe de Bogota Inravision
Television Cadena 1 in Spanish 0000 GMT 23 Jun 93

[Report by Miriam Ortiz]

[Text] The process to bring the Cali Cartel to trial is under way, despite rumors that it had failed. Ernesto Samper, Liberal Party presidential hopeful, said that if he reaches the presidency, his government will have total decisionmaking powers in coordination with the office of the Prosecutor General and the Attorney General.

[Ortiz] The government should be able to decide on the negotiations that are under way with the Cali Cartel and the amnesty should not be general, but individual. This was stated by Ernesto Samper, Liberal Party presidential hopeful.

[Begin Samper recording] I think it is a policy that should be based on specific parameters. First, it should be the prosecutor general who determines Colombian policy on this topic. Second, there should be permanent contact between the Attorney General and the government to prevent miscommunication and to allow negotiations on the basis of individual cases. Finally, there should be a guarantee that will really bring about a definitive demobilization. (end recording)

[Ortiz] When these negotiations began several months ago it was stated that they had suffered a setback, because of the disappearance of Jorge Eduardo Rojas, alias K-6, presumed former chief of security of one of the leaders of the Cali Cartel. The prosecutor general got angry and the dialogue fell through. This newscast, however, established that the proposed surrender stands firm. The attorney general will meet again with the prosecuting attorney to try to reach an agreement on the biggest point of conflict: The confession of crimes on the part of the alleged Valle narcotraffickers.

[Begin Samper recording] We are alert to any calls. As soon as this happens, we plan to continue the talks, as we have done in the past. [end recording]

[Ortiz] Regarding the negotiations with the Medellin Cartel, it was learned that the new attorneys of Pablo Escobar have resumed contacts with the Prosecutor General's office, seeking a new surrender. According to a letter Escobar sent to Ottoniel, one of his deputies who is confined to one of the maximum security wards of the Modelo Prison, the chief of the Medellin Cartel will surrender in the coming days, because according to his own words, he is tired of being hounded.

Social Security Reforms Extend Coverage, Benefits

PA2306014793 Santa Fe de Bogota Inravision
Television Cadena 1 in Spanish 0130 GMT 22 Jun 93

[Report by Jesus Garzon; passages within quotation marks are recorded]

[Text] The social security reforms pending approval by the Senate and House of Representatives in the legislative term beginning 20 July open some excellent prospects for all Colombians. Workers will have to pay a bit more, but benefits will increase as medical coverage will now include the worker's immediate family.

All Colombians regardless of social status will benefit from the new social security reforms, which will be implemented 1 January 1994. Farmers, homeless persons, and Colombians who are informally employed will be eligible to receive a pension and have access to medical services.

[Luis Fernando Ramirez, labor and social security minister] "The social security reforms are positive because they represent something good for more than 80 percent of the population that has no social security coverage. It is also positive for the remaining 20 percent who are covered but have been receiving poor service. We plan to improve the quality of services."

The new reforms were approved by the National Congress seventh commission. They include a chapter on pensions that allows for the creation of a solidarity fund, which will be financed by a 1-percent contribution from every worker who earns more than four times the minimum wage. For each peso that enters the solidarity fund, the government will contribute an equal amount to subsidize pensions for the needy.

[Senator Maristella Sanin] "I received support for an initiative that is about to be passed in the second debate. The proposal says the state will pay interest to pensioners for every day payment of their pension claims is delayed."

As to contributions, workers will decide whether to continue with the social security system or join the new pension funds. In both cases contributions will be 12.5 percent of salary. In other words, the employer will contribute 10 percent and the employee will make up the 2.5-percent difference.

As relates to the estimated insurance premium, those who decide to remain with social security will have to pay 1,000 weeks or 20 years. Those who decide to join the pension fund will have to complete 1,250 weeks or 25 years.

[Labor Minister Martinez] "I think it is appropriate to have some type of difference in favor of social security to avoid any competition that may force that organization to be dismantled."

Retirement age for any person affiliated to social security will be 60 years for men and 55 for women. Those who decide to join any pension fund will have a maximum retirement age of 62 years for men and 60 years for women. As of the year 2014, retirement age in social security will be 62 years for men and 57 for women.

[Senator Sanin] "A pension alone is insufficient for senior citizens. One must also be able to rely on the

savings one has accumulated through pension funds that will allow the worker to enjoy access to housing and education facilities during his useful life."

Regarding health services, the reforms provide coverage for the affiliated worker and family members. That is why the estimated insurance premium will be somewhat higher.

[Labor Minister Martinez] "In the next 10 years we will have gone from the current 20-percent coverage to more than 99 percent, which we should have by 2004."

The social security system guarantees pensions for unprotected persons and medical services for rich and poor.

Medellin Cartel 'Key Man' Arrested in Germany

PA2206163293 *Santa Fe de Bogota Inravisión*
Television Cadena 1 in Spanish 1730 GMT 21 Jun 93

[Excerpts] Roberto Soto Prieto was the key man of the Medellin Cartel for cocaine distribution in Europe, according to the police. The German police confirmed a few hours ago that Roberto Soto Prieto was the main supplier of the cocaine that the Medellin Cartel distributed in Europe through a complex network.

Interpol began following Soto Prieto in December 1990, when an anonymous phone call alerted the authorities of Soto Prieto's links with narcotics traffickers. [passage omitted] Soto Prieto was arrested on 4 June and is being held in Frankfurt. [passage omitted]

Army Conducts Search for Army of National Liberation Leader

PA2306173093 *Santa Fe de Bogota Inravisión*
Television Cadena 1 in Spanish 1730 GMT 22 Jun 93

[Text] Since the all-out war against the guerrillas was declared, it has been normal policy to keep the lid on the news. It is known, however, that the Army has improved its technical resources to identify guerrillas in the middle of the jungle and search operations are conducted everyday. What has been unknown is the hard blow dealt against the front responsible for protecting father Manuel Perez.

These are the first and most overwhelming results in the Army 2d Mobile Brigade's campaign against father Manuel Perez, maximum leader of the Army of National Liberation. Of the 1,000 men who are chasing the maximum leader, 46 managed to land clandestinely in the middle of the jungle and seize the main camp of the Jose Solano Sepulveda Front, made up of 300 men. Large amounts of weapons, ammunition, and explosives were seized.

Three guerrillas were killed and three others were captured. They are key to obtaining information for the persecution of Perez. This footage was obtained minutes after the guerrillas abandoned the camp located in the San Lucas Mountain Range, in southern Bolivar Department.

It is known that the Jose Solano Sepulveda Front is responsible for guarding any move by Perez and was preparing an important artillery campaign by mining the area to hinder Army actions.

Paraguay

Committee Probing Corruption Recommends Judicial Reform

PY2306234693 *Asuncion ABC COLOR in Spanish*
22 Jun 93 pp 10, 11

[Text] The Congressional Investigating Committee on Illegal Activities (CBII) has presented an extensive report to the presidents of the two chambers of Congress regretting that the CBII's efforts were not accompanied nor had the decisive support of the judicial branch and the attorney general to speed up the investigation into many reports of illegal activities. The document says the judicial branch's failure to act has contributed to weakening the population's trust in their work. The report recommends a major restructuring of the judicial branch and gives details of 33 cases investigated by the CBII. The committee held its closing session during the afternoon.

The CBII yesterday handed a complete report on their activities to congressional authorities because the present legislative session ends on 30 June. The long document gives details of 33 cases investigated by the commission from November last year to this month.

During this period the CBII was involved in multiple activities to fulfill its legal responsibilities. The committee received a large number of reports, which were processed, investigated, and sent to the appropriate judicial or executive branch organization accompanied by the available evidence.

The document says the committee was successful in some instances but had significant setbacks in others.

The document evaluates CBII activities, concluding that the committee's secretary was always available for the personal receipt of reports and that the CBII copied and collected pertinent evidence to support those reports.

"We want to stress, however, that despite CBII efforts we were not accompanied nor had the decisive support of the judicial branch and the attorney general (Luis Escobar Faella) in speeding up the investigation into many reports on illegal activities," the document says.

The document adds that the judicial branch's failure to act has contributed to weakening the population's trust in their work. "It is undoubtedly necessary to restructure that important government branch in order to optimize investigations and uncover those responsible, the accomplices, or those who cover up illegal activities," the documents adds.

The document says the new organizations created by the new Constitution, such as the Magistrates Council, will

help improve the judicial branch's performance and improve the selection and appointment of judges. The document adds that the investigation of illegal activities with social and political implications cannot be at the mercy of defective jurisdictional bodies.

The documents gives details of some of the CBII's achievements, stressing the importance of the framework law giving legal status to the committee. The law in question is Law No. 137 of 7 April, "regulating Article 195 of the Constitution that creates the joint investigating committees."

During the year the CBII studied and investigated 33 reports, some of which are of great importance such as the illegal granting of residence certificates to foreigners that ended with a raid on the General Migrations Directorate; the report on arms trafficking being heard by Judge Narciso Mieres of the 10th Circuit Criminal Court; the report by the National Comptroller's Office contesting Judge Angel Barchini's resolution on irregularities in the construction of the Concepcion-Military Port bridge and the highway to Pozo Colorado; the report on an alleged swindle by Nacho Medina; the case of Chinese national Liao Tai Lang against Judge Hugo Alberto Hermosilla of Ciudad del Este on charges of alleged blackmail, extortion, and betrayal of trust; the report on irregularities and alleged funds diversion in Corporana [Water and Sanitation Corporation]; and the report on alleged irregularities in the Air Force Command, among others.

The most outstanding details of the 33 cases investigated by the CBII are portrayed in a chart.

Included in the folder containing the CBII document is a detailed report by the committee's legal adviser, Maximo Barreto.

Peru

Local MRTA Leader Surrenders to Authorities

PA2406035493 Lima Global de Television Network in Spanish 0100 GMT 24 Jun 93

[Telephone report by Luis Humberto Hidalgo from Tarapoto]

[Excerpt] Andres Mendoza, alias Comrade Grillo, the highest ranking leader of the Northeastern Front of the Tupac Amaru Revolutionary Movement [MRTA], and his companion Doris Navarro, alias Comrade Carla, turned themselves in to peasant defense patrol adviser Roberto Pirgo in Achinamisa at approximately 0645 on 22 June. The two decided to return to society and accept the government's Repentance Law. Local authorities brought Mendoza from Achinamisa, which is three hours from to Chasota, and presented him to the military authorities. Mendoza is now being held at a military camp. [passage omitted]

Government Seeks Approval for Agreement With U.S. Company

PA2406042793 Lima Global de Television Network in Spanish 0100 GMT 23 Jun 93

[Text] Daniel Hokama Tokashiki, energy and mines minister, went before the congressional Budget Committee to explain a bill submitted by the executive asking the Democratic Constituent Congress for authorization to reach a settlement with the U.S. insurance company AIG [American Insurance Group] in which the country must pay \$185 million in compensation for the 1985 expropriation of the (Belco) company. The minister said the problem must be resolved soon because the U.S. Government is threatening to take measures against Peruvian exports. The agreement states that \$30 million will be paid initially with the remainder to be paid over seven years at 6 percent interest.

[Begin recording] [Hokama] We are basically requesting congressional approval to settle with AIG within the agreements reached in 1991 by former Ministers Carlos Bolona and Yoshiyama and this year by Jorge Camet, economy and finance minister. The purpose is to settle with AIG because the situation is causing us problems abroad.

[Unidentified reporter] What kind of problems?

[Hokama] The U.S. Government wants to remove the preferential status of some of our exports, and the Overseas Private Investment Corporation and the MIDA [expansion unknown] guarantees are at risk, something that may keep investors away from Peru. [end recording]

Economy Minister Camet on International Economic Aid

PA2306231793 Lima Radio Programas del Peru Network in Spanish 1800 GMT 22 Jun 93

[Text] Jorge Camet, economy and finance minister, said the Consultative Group for Social Support, which is meeting in Paris, has recognized Peru as the only country that has completely fulfilled its economic goals.

He also said that for the first time in two years, Peru is attending a meeting with the international financial community at which there are no debtors or creditors. [sentence as heard] We analyzed the application of the economic program and the policy of respect for basic rights, the economy and finance minister said. Minister Camet spoke to Radio Programas del Peru directly from Paris. Here is what he said:

[Begin recording in progress] [Camet] ... first time we have received donations for important amounts, which proves that the international community recognizes Peru's achievements, first through its own efforts and later with their support.

[Unidentified reporter] How much is an important amount?

[Camet] About \$960 million, which includes \$100 million from the World Bank and \$100 million from the Inter-American Development Bank. In order to receive these disbursements in the 94-95 term, we have to work bilaterally to clearly establish the goals and the destination of the \$760 million that will be received from the multilateral organizations.

Country by country, either in Peru or in those countries, we will coordinate [words indistinct] National Fund for Social Development and Compensation [Foncodes], and some [words indistinct] how these funds will be used to alleviate poverty, particularly how Foncodes operates and how the strategy will be applied. [end recording]

Minister Camet rejected the rumors that the Andean Development Corporation [CAF] would grant a \$1 billion loan to Peru. At the donors table, the CAF offered a small contribution to help finance a program to alleviate poverty in the country, Camet clarified. He said the CAF contributes by granting loans to the Financial Development Corporation, as well as other organizations for commerce and export.

In an exclusive conversation with Radio Programas del Peru, the economy minister confirmed that the German legislature has lifted the financial blockade against Peru.

[Begin Camet recording] I would like Peruvians to think that everything has been solved, but I would also like to say that it is essential that we continue with this program. The changes that will be noticed—such as this one, the plans to alleviate poverty—[words indistinct]. Therefore, we must persist and continue with the program. We must continue to make efforts [words indistinct].

I was unofficially notified on 21 June that we would be officially notified on 22 June that the German legislature was lifting the blockade. That is good news. The amounts that development represents in contributions to Support Groups One and Two are not included in the documents I mentioned earlier. However, we received the official notification on the morning of 22 June. [end recording]

Venezuela

Foreign, Defense Ministers on Border Patrol Proposal

PA2406123393 Caracas Venezolana de Television Network in Spanish 2350 GMT 22 Jun 93

[Text] [Announcer] Foreign Minister Fernando Ochoa Antich described a statement by Army Commander General Isaac Tagliaferro de Lima on the establishment of joint patrols along Venezuelan borders as a personal opinion. Cecilia Pachano filed this report:

[Pachano] The Venezuelan foreign minister on 22 June reaffirmed that Venezuelan foreign policy is established by the president of the Republic and the Foreign Ministry.

[Begin Ochoa recording] I do not issue opinions on these issues in this way. I would have to issue them in writing following a study. [end recording]

[Pachano] Foreign Minister Ochoa also said the Venezuelan Foreign Ministry has not issued an official reply to presidential candidate Andres Pastrana's proposal on the Gulf of Venezuela because it is not binding on the Colombian Foreign Ministry.

The Defense Ministry will not allow members of security corps of foreign countries to cross our borders to protect those areas, because this would constitute a violation of our sovereignty. Anneris Gonzalez filed this report:

[Gonzalez] Defense Minister Ivan Dario Jimenez Sanchez reaffirmed his stand when commenting on border issues. There has been a discussion on this matter throughout the year. Our country has rejected categorically the Colombian Government's suggestion to share surveillance in these areas.

[Begin recording] [Jimenez] I think there is confusion regarding this matter. They work on their side of the border and we work on our side. They work in their area and advise us of what they are doing and we do the same to ensure that when they see movement on our side of the border they know we are carrying out operations to neutralize common crime or drug trafficking problems.

[Unidentified reporter] Would they cross our border?

[Jimenez] That would not happen. We would never allow it. We would not accept a violation of our sovereignty under any circumstances. [end recording]

[Gonzalez] The defense minister also said the problem of the Brazilian gold seekers has indeed been tackled by the government, but results cannot be expected overnight because of the characteristics of the area involved and the seriousness of this situation.

[Announcer] Finally, Minister Jimenez said he will work with all state security corps to preserve the sovereignty Venezuela has always enjoyed along its borders.

President Swears in New Defense Minister

PA2406041093 Caracas Venezolana de Television Network in Spanish 2350 GMT 23 Jun 93

[Report by Cecilia Pachano]

[Text] Vice Admiral Radames Munoz Leon was sworn in as the new Venezuelan defense minister at Miraflores Palace on 23 June with the entire cabinet in attendance.

The new cabinet met for the first time during this ceremony. As acting President Ramon J. Velasquez said in his brief statement, the cabinet is now complete. As expected, the president recognized the Armed Forces' contribution in the consolidation of the country and its fight to become an exemplary institution through the academic improvement of its cadres.

[Begin recording] [Velasquez] The presence of the Armed Forces in the modern Venezuela of this century has been a decisive factor of equilibrium and peace. The minister and the high command who have just concluded their duties have shown a public commitment in emphasizing the positive characteristics of the institution.

[Munoz] Our priority will be to review all existing contracts. We are going to conduct a physical audit of all our negotiations and a financial audit to see what has been paid and what is owed. We are going to review the news stories that have appeared in the media to see how truthful they are so we can follow the appropriate course. [end recording]

The change of command will be held at the Defense Ministry headquarters in Fort Tiuna on 25 June, where the Armed Forces will be officially turned over to their new defense minister. That is why the Council of Ministers meeting scheduled for that date will be postponed until 1000 on 28 June.

New National Guard Commander Installed

PA2406125493 Caracas Venezolana de Television
Network in Spanish 2350 GMT 22 Jun 93

[Text] The National Guard is a military institution that was created to defend the democratic system. Pedro Jose Romero Farias, the new general commander of the National Guard, made this statement during the National Guard transfer of command ceremony. Anneris Gonzalez filed this report:

[Gonzalez] Division General Jose Francisco Rendon Keyes presided over the ceremony to transfer the general command of the National Guard at the military academy's honor courtyard. He underscored that nothing is more dangerous than remaining in power for a long period, thus, he transferred leadership with the full

conviction of having led a National Guard that always protected civilian society and the democratic system.

[Begin Rendon recording, in progress]...the area of welfare, especially social welfare...[pauses] the social welfare of the national guard was my main concern and I am happy as I leave, because we achieved progress for the sake of the social welfare of our national guard. [end recording]

[Gonzalez] After all honors that are accustomed in these ceremonies were presented, and in the presence of the high military command, Congress representatives, prosecutor general, and former President Luis Herrera Campins, the new National Guard Commander General Pedro Jose Romero Farias refused to delve into border issues, but said he will continue to fulfill security and defense duties in our country.

[Begin recording] [Unidentified reporter] [Words indistinct] Colombia?

[Romero] The defense minister already commented on that.

[Reporter] What is your opinion about this matter now that you are the National Guard commander?

[Romero] The Foreign Ministry is the appropriate institution to handle foreign affairs issues.

[Reporter] What issues will you handle then?

[Romero] I already mentioned them, I will restructure the forces to use resources more efficiently and in the most critical areas. [end recording]

[Gonzalez] At this transfer of command ceremony the new National Guard Commander General Pedro Jose Romero Farias said Venezuela has continued to consolidate its democratic profile. He added that the National Guard played an important role in the past and this role will become even more important.